

Salem State University's Office of Financial Aid adheres to the Massachusetts Board of Code of Conduct for Student Loan Programs and NASFAA's Higher Education Statements of Ethical Principles and Codes of Conduct to ensure the highest ethical behavior and professional practices.

## The Massachusetts Board of Higher Education – Code of Conduct for Student Loan Programs

### **Code of Conduct**

The primary goal of the institution and its financial aid staff is to help students achieve their educational potential by providing appropriate financial resources. To this end, this document provides institutions, specifically financial aid professionals, with a set of principles that serves as a common foundation for an acceptable standard of conduct.

Institutions and their Financial Aid Professionals shall:

- Maintain the highest level of professionalism.
- Commit to the highest level of ethical behavior, and refrain from conflict of interest or the perception thereof.
- Respect the dignity and protect the privacy of students and ensure the confidentiality of student records and personal circumstances.
- Provide information to families for lenders that have proven to provide the best combination of price, access to funds, and service to students and families.

Further, institutions shall ensure that all officers, trustees, directors, employees or agents, and financial aid professionals adhere to the following:

- May not accept gifts, meals, travel, or any other non-trivial items from student loan providers in connection with the institution's loan business.
- May not accept, from a lending institution, money, equipment, or printing services, or anything of value that may provide or suggest an advantage or grant a preferred status.
- If serving as a member of a lending institution's advisory board, may not accept anything of value in exchange for this service, such as "revenue sharing."
- Must disclose information regarding any lender on the preferred lender list who has an agreement to sell loans to another lender.

### **NASFAA Statement of Ethical Principles**

Salem State University's Office of Financial Aid follows NASFAA's Statement of Ethical Principles, which provides that the primary goal of the institutional financial aid professional is to help students achieve their educational potential by providing appropriate financial resources.

We, financial aid professionals, declare our commitment to the following Statement of Ethical Principles.

Financial aid administrators shall:

## **Advocate for Students**

- Remain aware of issues affecting students and continually advocate for their interests at the institutional, state, and federal levels.
- Support federal, state, and institutional efforts to encourage students, as early as the elementary grades, to aspire to and plan for education beyond high school.

## **Manifest the Highest Level of Integrity**

- Commit to the highest level of ethical behavior and refrain from conflict of interest or the perception thereof.
- Deal with others honestly and fairly, abide by our commitments, and always act in a manner that merits the trust and confidence others have placed in us.
- Protect the privacy of individual student financial records.
- Promote the free expression of ideas and opinions, and foster respect for diverse viewpoints within the profession.

## **Support Student Access and Success**

- Commit to removing financial barriers for those who want to pursue postsecondary learning and support each student admitted to our institution.
- Without charge, assist students in applying for financial aid funds.
- Provide services and apply principles that do not discriminate on the basis of race, gender, ethnicity, sexual orientation, religion, disability, age, or economic status.
- Understand the need for financial education and commit to educating students and families on how to responsibly manage expenses and debt.

## **Comply with Federal and State Laws**

- Adhere to all applicable laws and regulations governing federal, state, and institutional financial aid programs.
- Actively participate in ongoing professional development and continuing education programs to ensure ample understanding of statutes, regulations, and best practices governing the financial aid programs.
- Encourage colleagues to participate in the financial aid professional associations available to them at the state, regional, or national level and offer assistance to other aid professionals as needed.

## **Strive for Transparency and Clarity**

- Provide our students and parents with the information they need to make good decisions about attending and paying for college.
- Educate students and families through quality information that is consumer-tested when possible. This includes (but is not limited to) transparency and full disclosure on award notices.
- Ensure equity by applying all need-analysis formulas consistently across the institution's full population of student financial aid applicants.

- Inform institutions, students, and parents of any changes in financial aid programs that could affect their student aid eligibility.
- Strive to ensure that cost of attendance components are developed using resources that represent realistic expenses.

### **Protect the Privacy of Financial Aid Applicants**

- Ensure that student and parent private information provided to the financial aid office by financial aid applicants is protected in accordance with all state and federal statutes and regulations, including FERPA and the Higher Education Act, Section 483(a)(3)(E) (20 U.S.C. 1090).
- Protect the information on the FAFSA from inappropriate use by ensuring that this information is only used for the application, award, and administration of aid awarded under Title IV of the Higher Education Act, state aid, or aid awarded by eligible institutions.

Update by the NASFAA Board of Directors, November 2017

### **NASFAA Code of Conduct**

The following Code of Conduct was last updated by a vote from NASFAA's Board of Directors in November 2020 and published in January 2021. Subject to enforcement procedures that go into effect July 1, 2015, NASFAA institutional members of NASFAA will ensure that:

- No action will be taken by financial aid staff that is for their personal benefit or could be perceived to be a conflict of interest.
  - Employees within the financial aid office will not award aid to themselves or their immediate family members. Staff will reserve this task to an institutionally designated person to avoid the appearance of a conflict of interest.
  - If a preferred lender list is provided, it will be compiled without prejudice and for the sole benefit of the students attending the institution. The information included about lenders and loan terms will be transparent, complete, and accurate. The complete process through which preferred lenders are selected will be fully and publicly disclosed. Borrowers will not be auto-assigned to any particular lender.
  - A borrower's choice of a lender will not be denied, impeded, or unnecessarily delayed by the institution, even if that lender is not included on the institution's preferred lender list.
  - No amount of cash, gift, or benefit in excess of a de minimis amount shall be accepted by a financial aid staff member from any financial aid applicant (or their family) or from any entity doing business with or seeking to do business with the institution (including service on advisory committees or boards beyond reimbursement for reasonable expenses directly associated with such service).
- Information provided by the financial aid office is accurate, unbiased, and does not reflect preference arising from actual or potential personal gain.

- Institutional financial aid offers and/or other institutionally provided materials shall include the following:
  - Breakdown of estimated individual Cost of Attendance components, including which are direct (billed by the institution) costs vs. indirect (not billed by the institution) costs
  - Clear identification and proper grouping of each type of aid offered, indicating whether the aid is a grant/scholarship, loan, or work program.
  - Estimated net price
  - Standard terminology and definitions, using NASFAA's glossary of terms
  - Renewal requirements for each aid type being offered, as well as next steps and financial aid office contact information
- All required consumer information is displayed in a prominent location on the institutional website(s) and in any printed materials, easily identified and found, and labeled as "Consumer Information."
- Financial aid professionals will disclose to their institution any involvement, interest in, or potential conflict of interest with any entity with which the institution has a business relationship.

Salem State University does not have a preferred lender list. Students may borrow from any lender they choose with no preference made by the University. The University utilizes [www.ELMSelect.com](http://www.ELMSelect.com) to provide information to our students. This should not be construed as an endorsement of those lenders included on ELM Select. Students may borrow from lenders not included on ELM Select.