



OREGON COLLEGE *of* ORIENTAL MEDICINE

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## Code of Conduct

### **Policy Statement Regarding Relationships with Student Loan Lenders — August 14, 2007**

Whereas OCOM is highly dependent upon federal student loan programs to provide funding for our students, and whereas our highest priority is to provide the highest level of services and education in TCM to our students, we the management of Oregon College of Oriental Medicine set forth the following policy regarding our relationships with student lenders:

It is OCOM's policy to allow students to choose their student loan lender, even if the student's chosen lender is not on a "preferred lender list" or even if the lending process cannot be accomplished conveniently for OCOM's financial aid personnel.

Any preferred lender list will be advisory only in nature. Students always have the right to choose their lender.

If OCOM establishes criteria for a "preferred lender list," those criteria will be based exclusively on benefit to the student borrowers, including loan rates, fees, customer service and convenience, to name a few. The chief benefit criteria may not be based on any lender-offered rebate or benefit to the student that could possibly be realized only during the repayment period if it is not certain to be enjoyed by the student.

OCOM and/or its employees may not receive any inducement whatsoever in exchange for placing a specific lender on its "preferred lender list" or for recommending a specific lender over others to the student borrower.

If OCOM maintains a "preferred lender list," the Director of Financial Aid will publish a list of criteria for inclusion on the list available to all students and staff at least once per year or as often as the list changes.

Student lender personnel must represent themselves as agents of their lending organization at all times when on OCOM campus or at OCOM functions. They may not represent themselves as representatives of OCOM at any time.

If student lender representatives provide help to OCOM's Financial Aid office for more than incidental services or consulting relating to loan processing systems training, the representative must be paid for the services at fair market rates.

OCOM will establish an internal Oversight Committee to review relationships with lenders and to ensure compliance with Department of Education rules and regulations, consisting of the Director of Financial Aid, the Dean of Academics and/or the Vice President of Academics and the college's Chief Financial Officer. The Committee will report to the President annually and will act on auditors' recommendations from the annual A-133 audit.

OCOM's employees may not receive gifts, including travel, from lenders, guaranty agencies or servicers or their representatives except those of a nominal value. Lender-paid travel that is for training and would not be characterized as excessive or as a holiday according to the facts and circumstances may be permitted if allowed by the Department of Education. In those cases, reasons for accepting lender-paid travel must be documented and the trip approved by the oversight committee.

### **Charter for the Financial Aid Internal Oversight Committee of Oregon College of Oriental Medicine — September 26, 2007**

The Financial Aid Internal Oversight Committee ("Committee") was formed to address:

The increased need for internal oversight due to increased regulatory scrutiny of financial aid lender-college relationships,

The importance of federal financial aid programs to our students,

The desire to provide transparency in our lender selection process, and

The desire to be responsive to student concerns regarding student lenders' customer service and loan practices, and

The need to provide a means of gathering student feedback and resolving issues between students and their lenders where appropriate.

**Who Will Constitute the Oversight Committee** — The Committee will be made up of the persons filling the roles of Chief Financial Officer, Director of Financial Aid, Dean of Academics and/or Vice President of Academics. In addition to these OCOM staff, the committee will invite one student from each program of study to participate in the work and decisions of the committee as recommended by the Student Council or the Dean of the program.

**When the Committee Will Meet** — The Oversight Committee may meet as many times as is necessary to accomplish the purposes of the Charter, but not less than once in any academic year. The Committee may hold ad hoc meetings at its discretion to resolve student-lender issues of immediate importance, to respond to student concerns or to exercise its oversight authority when a lender relationship activity is called into question.

**Committee Responsibilities** — The Committee is responsible for implementing OCOM's Student Loan Lender Relationship Policy and for meeting at least once per year to:

Consider or reconsider OCOM's list of preferred lenders and the criteria by which they are chosen, and publish the criteria for selection to all students prior to the beginning of the academic year,

Solicit student feedback on issues relating to student loans and lenders,

Aid in communication of student concerns to lenders,

Review OCOM's relationships with student lenders to ensure that employees are observing all applicable lending rules and regulations,

Provide proactive oversight of lender relationships and guidance in maintaining compliance with federal and state laws and regulations,

Consider and implement any auditor recommendations in regard to the financial aid function of the college and student lending relationships,

Report to the President each year as to the state of student satisfaction and concerns with lenders, the current preferred lender criteria and whether OCOM is in compliance with all federal and state student lending laws and regulations.

**Privacy and Confidentiality** — The Committee will keep minutes of all meetings, but part or all of such minutes of any meeting may be kept confidential insofar as they may involve FERPA or other privacy laws. Minutes deemed not to pose any risk of breach of confidentiality responsibilities may be made public.

When the Committee deals with any sensitive issue involving a particular individual and an area covered by FERPA or any other privacy law, only those members with direct involvement in the resolution of the issue may participate or be in attendance. All other Committee members must be excluded from those discussions which might constitute a breach of FERPA or other privacy and confidentiality laws. In no case should a Committee member discuss Committee issues relating to individuals with persons not on the Committee and participating in the extant discussion.

**Adopted by the OCOM Executive Council, September 26, 2007**

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