



I. Introduction

Rider University (“Rider”) is committed to the highest ethical standards with respect to its business practices and to serve the interests of its students. The Office of Financial Aid provides professional, ethical and equitable distribution of financial resources. We recognize that these values are essential to make it possible for students and families to achieve a quality higher education. The purpose of this conduct and ethics policy is to ensure that all reasonable steps are taken to provide that the personal or professional interests of financial aid personnel are not part of the decision-making process and that financial aid decisions are made solely by what is in the best interest of Rider’s students, families, alumni and any other members of its’ community. In order to have the most comprehensive approach, we established this policy in combination with federal, state and institutional regulations, codes, policies and laws as well as the National Association of Student Financial Aid Administrator’s (NASFAA) Statement of Ethical Principals and Code of Conduct for Institutional Financial Aid Professionals.

II. Statement of Policy

1. All financial aid decisions and/or actions made on behalf of Rider will be in compliance with United States Department of Education regulations and existing laws at all federal and state levels.
2. All financial aid employees of Rider will remain committed to acting in the best interests of the students and ensuring that business practices are consistent with that principle and existing law.
3. The Office of Financial Aid will continue to be committed to the National Association of Student Financial Aid Administrators (NASFAA) Statement of Ethical Principles adopted in March 2014 and which is attached hereto as Appendix “A”.
4. Rider’s Board of Trustees has adopted and monitors a Conflict of Interest Policy. This policy includes the Office of Financial Aid. This policy is attached hereto as Appendix “B”.

III. Code of Conduct

– Definitions applicable to this section (III)

- a. “Borrower” means a student attending Rider University, or a parent or guardian of the student, who obtains a Student Loan from a Lending Institution to pay for or finance higher education expenses.

- b. “Lending Institution” means any entity that directly or through an affiliate engages in the business of making or securitizing Student Loans, or any entity or association of entities that guarantees Student Loans.
- c. “Selected Lender List” means any list of Lending Institutions that Rider University publishes, in print or any other medium or form that recommends or suggests Lending Institutions to borrowers.
- d. Student Loan” means any loan that is made, insured, or guaranteed under “Part b of Title IV of the federal “Higher Education Act of 1965” or any private loan issued by a lending Institution or any loan issued pursuant to a New Jersey statutorily established loan program for the purposes of paying for or financing higher education expenses but not including credit cards or home equity loans.

As an active member of NASFAA, Rider has embraced and incorporated NASFAA’s *Statement of Ethical Principles and Code of Conduct for Institutional Financial Aid Professionals* as the framework of this policy.

An institutional financial aid professional is expected to always maintain exemplary standards of professional conduct in all aspects of carrying out his or her responsibilities, specifically including all dealings with any entities involved in any manner in student financial aid, regardless of whether such entities are involved in a government sponsored, subsidized, or regulated activity. In doing so, a financial aid professional must:

1. Refrain from taking any action for his or her personal benefit
 - a. Rider prohibits any officer, trustee, director, or employee from accepting anything more than nominal value from a lending institution.
 - b. Officers, trustees, directors, employees conducting business with lenders that is not related to student loan business is permitted.
 - c. Trustees who work for lending institutions that also serve on Rider’s board may continue to serve, but will not be involved in any institutional decisions regarding student loans or the development of the institutions selected lender’s list.
2. Refrain from taking any action he or she believes is contrary to law, regulation, or the best interests of the students and parents he or she serves.
 - a. Rider reaffirms, through the adoption of this Policy on Financial Aid Conduct and Ethics, its continuing commitment to abide by the law and act in the best interests of its student body
3. Ensure that the information he or she provides is accurate, unbiased, and does not reflect any preference arising from actual or potential personal gain.
 - a. Rider’s selected lender list will not be used to limit the borrower’s choice of lender. Students will be free to choose any lender they feel is appropriate based upon their specific needs.

- b. Rider's selected lender list is one of several options available to the borrower to help determine the appropriate loan program for the individual.
 - c. Rider's selected lender list will be updated each year.
 - d. Rider's selected lender list will contain a minimum of three lenders.
 - e. The process used to select lenders for inclusion on Rider's lender list shall be included on Rider's website as well as every publication in which the selected lender list appears.
 - f. In choosing selected lenders, Rider will scrutinize its list to assure that advertised benefits will continue upon repayment.
 - g. Rider's selection process will consider whether a lender plan to sell its student loans to another unaffiliated lending institution.
 - h. Rider's policy is to honor any and all loan applications and will not restrict the borrower to the use of electronic applications only. Rider will certify a loan promptly regardless of chosen lender.
4. Be objective and provide full and accurate information when students regarding the selection of lenders and Rider's relationships with any entity involved in any aspect of student financial aid.
- a. Rider will remain impartial in relationships with organizations that provide any financial aid related services to our students and families. In doing so:
 - 1. Lending Institutions shall not represent themselves to Rider students or families as representatives of Rider.
 - 2. In addition to Rider's policy outlined in section 4a, Rider will comply with all federal and state laws related to staffing support and counseling services available to Rider students by Lending Institutions.
 - 3. Rider will not choose a Lending Institution to be included on the Selected Lender list in exchange for any form of remuneration either to or from Rider or any of its financial aid professionals.
5. Not accept anything beyond nominal value from a Lending Institution for serving on a Lending Institution's advisory board or for participating in a training session sponsored by a Lending Institution.
- a. Rider's employees shall not accept anything of value for including a Lending Institution on Rider's Selected Lender List.
 - b. Rider's financial aid employees shall not receive anything beyond nominal value from a Lending Institution for serving on the Lending Institution's advisory board.

6. Disclose to his or her institution, in such manner as his or her institution may prescribe, any involvement with or interest in any entity involved in any aspect of student financial aid.
 - a. Rider's Board of Trustees adopted and monitors a [Conflict of Interest Policy](#) outlined in Appendix B. In an effort to ensure Rider's business dealings are at "arms length," all Trustees, officers of Rider and those employees with significant discretion for departmental financial management are required to complete a questionnaire designed to identify any potential conflicts of interest. The Office of Financial Aid, utilizing this policy, will require all professional staff engaged in financial aid distribution to complete the conflict of interest questionnaire annually and maintain all completed questionnaires in its records for a period of five years.

Appendix A: Commitment to Ethics

National Association of Student Financial Aid Administrators (NASFAA) Statement of Ethical Principles

NASFAA's Statement of Ethical Principles provides that the primary goal of the institutional financial aid professional is to help students achieve their educational potential by providing appropriate financial resources. To this end, this Statement provides that the financial aid professional 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, abiding by our commitments and always acting 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 educate 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.

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.

*Task Force on Standards of Excellence
Adopted by Board of Directors, March 2014*

Appendix B: Rider University Conflict of Interest Policy

I. Recitals

1.1 Rider University is desirous of promoting decision making which is free of conflict of interest by any persons in a position to substantially influence University policy or make significant decisions. The purpose of this conflict policy is to ensure that all reasonable steps are taken to provide that the personal or professional interests of Rider decision makers do not prevail over the best interest of Rider, to ensure that Rider fulfills its legal and moral obligations to its students and other members of the Rider community and to preserve the tax-exempt status of Rider.

1.2 Rider is exempt from federal income taxes pursuant to Sec. 501 (c) (3) of the Internal Revenue Code. Pursuant to Sec. 4958 of the Internal Revenue Code, adopted on July 30, 1996, Sec. 501 (c) (3) tax-exempt entities are subject to sanctions, including possible imposition taxes and loss of tax-exempt status if they do not comply with the anti-conflict on interest provisions of IRC Sec. 4958. This conflict policy is intended to comply with IRC Sec. 4958 and all its provisions and should be construed with that purpose in mind.

1.3 In addition to the monetary type of conflict, which are the subject of IRC Sec. 4958, there are other types of potential conflict of interest which may be detrimental to the best interests of Rider and which should be controlled.

1.4 All persons involved in decision making for Rider shall base decisions on what is best for Rider and not make the decisions on what is best for the person making the decision. This conflict policy defines some of the situations which are deemed to be within this general prohibition of conflict of interest and provides a process to review transactions and situations to ascertain if they fall within the prohibitions of this conflict policy.

II. Definitions

For the purposes of this policy, the following terms are defined:

2.1 “Conflict of interest” means a situation in which a person in a position to make a decision on behalf of Rider has a personal motive or reason, which may actually conflict or may reasonably be perceived to conflict with the best interests of Rider. The term includes, but is not limited to, an “excess benefit” transaction as defined in this section.

2.2 a. “Subject person” means a person in a position to exercise substantial influence over the affairs of Rider. Included in this category are all trustees, the President, all vice presidents, all Deans, the Bursar, the Provost and assistants to any of these designated persons who may be in a position to have substantial influence over any particular decision or transaction on behalf of the University during the five-year period preceding the transaction in question. All persons who are classified as a “disqualified person” in Sec. 4958 of the Internal Revenue Code are intended to be included within this definition of “subject person.”

b. “Family member” means a relative of a subject person who is a spouse, ancestor, child, grandchild, great-grandchild, brother or sister, and also includes the spouses of children, grandchildren, great-grandchildren, brothers and sisters of a family member.

c. “Affiliate” of a subject person means a corporation in which subject persons and/or family members have at least 35% of the total combined voting power, a partnership or limited liability company in which such persons own more than 35% of the profits interest, or a trust or estate in which such persons own more than 35% of the beneficial interest, or any other entity which is at least 35% controlled by such persons.

2.3 “Excess benefit transaction” means a benefit transaction where the value of the economic benefits, directly or indirectly, to a subject person, family member or affiliate exceeds the value of consideration (including the performance of services) received for providing such benefit. Excess benefit transactions include (a) compensation which exceeds the amount that entities similar to Rider would pay for similar services under similar circumstances, (b) transactions that are not based on fair market value, (c) transactions in which the subject person, family member or affiliate participants in a joint venture with Rider and earns income from the venture disproportionate to his, her or its capital investment, and (d) such to her transactions as may be set forth in applicable regulations to Sec. 4958 if the Internal Revenue Code.

III. Statement of Policy

3.1 All actions or decisions on behalf of Rider based on the personal effect of the action on the responsible party for the action or decisions, including but not limited to all excess benefits transactions, constitute an impermissible conflict of interest and are prohibited and unauthorized by Rider.

3.2 This policy is to be administered and enforced by Rider’s Conflict Committee as described below.

IV. Conflict Committee

4.1 The Board hereby creates a committee, to be known as the Conflict Committee to administer and enforce the policy stated herein and to have such additional functions and jurisdiction as the Board may from time to time delegate.

4.2 The Human Resources Committee of the Board or such subcommittee that the Human Resources Committee shall designate, shall act as the Conflict Committee.

4.3 The Committee shall review all benefit transactions brought to their attention by any person to ensure that none of them are excess benefit transactions. This review shall include a review of all existing benefit transactions and those, which are proposed in the future. The University Administration and any subject person involved in a benefit transaction shall be obligated to promptly notify the Committee of each benefit transaction of which they have knowledge.

4.4 The Committee shall establish its own rules of procedure, provided, however, that these rules must include the substance of the following provisions:

- a. In considering and determining any specific transaction, the Committee members must all be unrelated to and not subject to the control of the subject person involved in the transaction;
- b. The Committee shall obtain and rely upon appropriate data as to comparability of compensation or fees paid by similar situated organizations (which may include both taxable and tax-exempt organizations), the location of the organization, including availability of similar specialties in the geographic area or actual written offers competing for the services of the subject person, and
- c. The Committee shall be provided adequate documentation to support the basis for the compensation to or transaction with the subject person, family member or affiliate.
- d. The Committee shall provide a process by which a subject person may appeal a Committee decision to the Board.

4.5 No benefit transaction shall be consummated without notice to and approval by the Committee.

4.6 The Committee shall report to the Board all actions that it takes and matters that it considers.

V. Board of Trustees Conflict

5.1 This section applies to all conflict, except that a conflict, which involves a real or perceived benefit transaction, must be processed as stated in Sec. 4 of this Policy Statement.

5.2 If any Board member believes that he or she has or may have a conflict of interest, that person shall so inform the Board prior to any discussion on the matter or as soon as the conflict or possible conflict becomes apparent. The Board may decide itself whether such a conflict exists or may refer the conflict question to the Conflict Committee for resolution pursuant to rules and procedures adopted by the Conflict Committee. No Board member shall participate in any matter pending resolution of whether or not he or she has a conflict of interest. If either the Board or Conflict Committee, as the case may be, determines that the Board member has a conflict of interest, the Board member may not vote on the matter, shall not be counted for the purposes of establishing a quorum not participate as a Board member in any formal or informal Board discussion regarding the issues for which the conflict exists.

5.3 Any offer of Rider may initiate an inquiry to the Board as to whether any discussion or transaction may involve a conflict.