



# ITASCA COMMUNITY COLLEGE

## *Suggested Lender List and Lender Gift Policy*

**Regulatory basis:** 34 CFR 682.603(c)(31) indicates that the college is prevented from engaging:... *in any pattern or practices that results in a denial of a borrower's access to FFEL loans because of the borrower's race, sex, color, religion, national origin, age, handicapped status, income, or selection of a particular agency.*

**Background and general information:** Itasca Community College does not endorse any one lender, and a student may choose any lender they wish, even if that lender is not on our suggested list as long as the lender participates in the Federal Stafford Loan Program. The lender list we have is provided as a courtesy to our students to assist them with the borrowing process. We do not have a formal policy or process for selecting who would be added/deleted from the list, but use the criteria below in determining when a change to the list may be warranted. Our lender list is updated and maintained by Jessica Sidla, a representative of Citibank. Citibank is listed as one of the preferred lenders by meeting the criteria below. Ms. Sidla's maintenance of our list has no bearing on why Citibank was added to the preferred lender list at ICC. ICC has requested that Ms. Sidla intentionally order our lender list in a random fashion each time the Web browser is opened to avoid any indication of preferential treatment of one lender over another. Citibank is acknowledged at the bottom of the lender list for providing the information.

**Criteria for adding/deleting lenders:** Criteria to add/delete a lender from our list may include, but are not limited to:

- Borrower benefits (ex. interest rate discounts and how they are activated or earned)
- Lender stability (How long has the lender been in business? Are staff knowledgeable and experienced? Default reduction strategy? Borrower education programs?)
- Quality of lender's products, services, customer service, and value added support and services
- Commonline Compliance (This is the format of the data files for the communication/processing software we use)
- Having electronic and web-based capability and support
- Reputation – prior positive experiences or experiences of other financial aid colleagues
- Branch locations available in local college area?

**Communicating with students:** When students ask ICC Financial Aid Staff which lender is the best, we will not endorse any lender, but instead respond with a series of considerations to help students weigh the all of the different factors involved in this decision, such as:

- "Have you borrowed before?" If a student currently has student loan debt we recommend students continue to borrow from the same lender to simplify their repayment and consolidation processes.
- Federal guidelines regulate the primary features of student loan programs, however, some lenders offer special discounts and other borrower benefits. We list the special programs on the lender list to assist students in making an informed choice.
- "Do you value supporting local businesses?"
- "Who do you think/feel will give you the best service both while you are in school and also when you enter repayment?"
- "Consider which lender mathematically will save you the most money. You can determine this from the information in the "Loan Programs" section of the Lender List."
- Some lenders offer both Stafford and Alternative Loans, and if you borrow both loans from the same lender, all aspects of customer service is easier because mailing payments, arranging forbearance and deferments, updating contact information, etc. is all done with just one payment, phone call or contact.

**Lender advertising on-campus:** ICC does not engage in or allow any type of lender advertising. We will, however, use informational brochures marked with the lender's logo on specific topics such as money management, debt-reduction, financial planning, loan repayment charts, etc. that do not promote or steer students toward the lender's loan products.

**Lender Gifts:** Lender Representatives sometimes invite Financial Aid staff to luncheon meetings at local restaurants. These meetings have value because the Lender Representatives use this opportunity to share new information, updates or changes regarding their products, as well as changes to DOE student loan regulations. Financial Aid Staff may attend a lunch meeting with a Lender Representative, however, they will have to pay for their own meal. Several lenders invite attendees of the MAFAA conferences to dinners or entertainment events during the conference. ICC Financial Aid staff may participate in such activities and events, but will pay for such events out of their own pocket.

With the exception of occasional Holiday greeting cards, candy or other edible items, pens, pencils, post-its, and other minimal trinkets, financial aid staff have not been offered, nor will they accept, gifts of more than a nominal value ("nominal" is roughly defined as valued at \$5 or less).