

Cuomo Targets Johns Hopkins University

By Amit Agarwal

As part of its settlement with New York Attorney General Andrew Cuomo, Johns Hopkins University will spend \$1 million to educate college students on financial aid. Cuomo's investigation revealed that the university's former financial aid director allegedly received about \$65,000 between 2002 and 2006 in the form of consulting fees from a student loan company.

Johns Hopkins also announced that it will officially adopt the attorney general's code of conduct for financial aid officers. The code bans officers from receiving money from lenders and states that institutions should clearly reveal how they choose their preferred lenders.

Although Johns Hopkins is outside of Cuomo's jurisdiction, the university decided to go ahead with the settlement instead of pursuing litigation.

University president William R. Brody commented that Johns Hopkins reached an agreement in order to focus on the important issue of ensuring that its financial aid program operates in students' best interests.

Cuomo has in recent months revealed revenue-sharing agreements between lenders and schools. Having settled with 25 colleges, Cuomo said that Johns Hopkins had the worst situation his investigators had come across.

The New York attorney general has also been successful in pushing five major lenders to adopt his "code of conduct" which governs relationships between colleges and lenders. While four financial aid directors have been ousted as a result of Cuomo's probe, settlements such as the one with Johns Hopkins have accounted for almost \$12 million being added to his "national education fund." The fund will be used to educate college students about financial aid.