

## **Student Loan Code of Conduct**

### ***BACKGROUND***

St. Charles Community College participates in the Federal Direct Loan Program and receives Title IV federal loans for its students. As a condition of this participation and to comply with the Higher Education Opportunity Act of 2008 ("HEOA"), St. Charles Community College has instituted this Student Loan Code of Conduct ("Code") to ensure the integrity and compliance of its administration of student loan programs. The Student Loan Code of Conduct applies to all employees who work in the Office of Student Financial Assistance and all other SCC employees, including agents of the College, who have responsibilities related to educational loans or other forms of student financial aid. The Student Loan Code of Conduct has been established to meet the requirements contained in the 2008 Higher Education Opportunity Act. Items in this Code of Conduct provide additional standards of conduct for employees with responsibility for student financial aid and do not replace any existing or future requirements imposed by the State of Missouri or the Board of Trustees of SCC related to codes of conduct, conflict of interest policies, ethics training, or other such requirements. Though SCC as a direct lender may not be subject to every circumstance detailed below, the College nonetheless prefers to take an expansive approach to combat any actual or appearance of a conflict of interest with respect to student loans.

### ***PROCEDURES***

All SCC officers, employees, and agents with responsibilities for Financial Assistance or student loans must comply with this Code. Such officers, employees, and agents must be initially trained on the Code's requirements. Thereafter, such officers, employees, and agents shall be annually informed of the Code's provisions.

The Student Loan Code of Conduct is based upon Section 493 of the HEOA and shall be interpreted consistently with its provisions and any regulations promulgated there under. The determination of whether conduct of a SCC officer, employee, or agent falls within this Code shall be made by the Office of Financial Assistance, in consultation with the Vice President for Academic and Student Affairs. All questions regarding this Code should be directed to the Dean of Enrollment Services at 636-922-8229.

*If there is uncertainty as to whether conduct falls within the restrictions of this Code, officers, employees, and agents must consult with the Dean of Enrollment Services in advance of proceeding with the conduct. Officers, employees, and agents subject to this Code who receive any of the "gift" exceptions identified in paragraph 2 must also report them in writing to the Dean of Enrollment Services.*

## **PROVISIONS**

### **1. Ban on Revenue Sharing**

SCC shall not enter into any revenue-sharing arrangements with any lender. This includes any arrangement between SCC and a lender that results in the lender paying a fee or other benefits (such as a share of the profits) to SCC, its officers, employees or agents, as a result of the College recommending the lender to students or their families.

### **2. Ban on Gifts**

SCC has a Gifts to Employees Policy ("Gifts Policy") that outlines guidelines and restrictions associated with the acceptance of gifts offered by third parties to College employees and business units. In addition to the Gifts Policy, SCC officers, employees, and agents employed by the Office of Financial Assistance or otherwise responsible for education loans will also be bound by the following gift restrictions:

No SCC officer, employee, or agent employed by the Financial Assistance office or otherwise responsible for education loans shall solicit or accept any gift from a lender, guarantor, or servicer of education loans. This ban even applies to gifts whose value falls below the limits of SCC's Gifts Policy. For the purposes of this Code, the term "gifts" includes but is not limited to any cash, gratuity, favor, discount, entertainment, hospitality, loan, or other item having a monetary value of more than a *de minimus* amount. The term as used herein includes a gift of services, transportation, lodging, or meals, whether provided or paid for directly or reimbursed after the expense has been incurred. A gift from a lender, guarantor, or servicer of education loans to a family member or other acquaintance of an individual subject to this code is prohibited if (1) given with the individual's knowledge and acquiescence, (2) with reason to believe it was given because of his or her official College position. For additional restrictions on gifts, please refer to SCC's Gifts Policy.

### **3. Ban on Contracting Arrangements**

No SCC officer, employee, or agent employed in the Office of Financial Assistance or otherwise responsible for education loans shall accept from any lender or its affiliate any fee, payment or other financial benefit (including the opportunity to purchase stock) as compensation for any type of consulting arrangement or other contract to provide services to or on behalf of a lender, guarantor, or servicer of education loans.

### **4. Ban on Staffing Assistance**

SCC shall not request or accept from any lender any assistance with call center staffing or Office of Financial Assistance staffing. However, this Code shall not be construed to prohibit SCC from requesting or accepting assistance from a lender related to professional development training, financial counseling materials (provided they disclose the identity of any lender that assisted in their preparation), or short-term, non-recurring staffing during local, state, or federal emergencies.

### **5. Ban on Advisory Board Compensation**

No SCC officer, employee, or agent employed in the Financial Assistance office or otherwise responsible for education loans, who serves on an advisory board, commission, or group established by lenders or guarantors, shall receive anything of value from the lenders or guarantors except for reimbursement of reasonable expenses incurred in serving on such board, commission, or group.

### **6. Ban on Other Conflicts of Interest**

All SCC officers, employees, and agents employed in the Office of Financial Assistance or otherwise responsible for education loans are prohibited from having any conflicts of interest with respect to their responsibilities for Title IV education loans.