



## **Title IV Loan Code of Conduct**

### ***Policy Statement***

Urshan Graduate School of Theology (UGST) participates in the Title IV Federal Direct Loan program. As a part of the Program Participation Agreement with the US Department of Education, UGST is required to develop, publish, administer, and enforce a code of conduct in accordance with the Higher Education Opportunity Act (HEOA) signed into law on August 14, 2008. This policy applies to, and will be annually reviewed by, all officers, employees, and agents of UGST who have responsibilities in accordance with education loans. This policy shall be posted on the school's website.

### ***Code of Conduct***

Urshan Graduate School of Theology hereby adopts the following provisions from the HEOA, Section 493(e) as its Code of Conduct.

#### ***(1) Ban on revenue-sharing arrangements.--***

*``(A) Prohibition.--The institution shall not enter into any revenue-sharing arrangement with any lender.*

*``(B) Definition.--For purposes of this paragraph, the term `revenue-sharing arrangement' means an arrangement between an institution and a lender under which--*

*``(i) a lender provides or issues a loan that is made, insured, or guaranteed under this title to students attending the institution or to the families of such students; and*

*``(ii) the institution recommends the lender or the loan products of the lender and in exchange, the lender pays a fee or provides other material benefits, including revenue or profit sharing, to the institution, an officer or employee of the institution, or an agent.*

#### ***``(2) Gift ban.--***

*``(A) Prohibition.--No officer or employee of the institution who is employed in the financial aid office of the institution or who otherwise has responsibilities with respect to education loans, or agent who has responsibilities with respect to education loans, shall solicit or accept any gift from a lender, guarantor, or servicer of education loans.*

*``(B) Definition of gift.--*

*“(i) In general.--In this paragraph, the term ‘gift’ means any gratuity, favor, discount, entertainment, hospitality, loan, or other item having a monetary value of more than a de minimus amount. The term includes a gift of services, transportation, lodging, or meals, whether provided in kind, by purchase of a ticket, payment in advance, or reimbursement after the expense has been incurred.*

*“(ii) Exceptions.--The term ‘gift’ shall not include any of the following:*

*“(I) Standard material, activities, or programs on issues related to a loan, default aversion, default prevention, or financial literacy, such as a brochure, a workshop, or training.*

*“(II) Food, refreshments, training, or informational material furnished to an officer or employee of an institution, or to an agent, as an integral part of a training session that is designed to improve the service of a lender, guarantor, or servicer of education loans to the institution, if such training contributes to the professional development of the officer, employee, or agent.*

*“(III) Favorable terms, conditions, and borrower benefits on an education loan provided to a student employed by the institution if such terms, conditions, or benefits are comparable to those provided to all students of the institution.*

*“(IV) Entrance and exit counseling services provided to borrowers to meet the institution's responsibilities for entrance and exit counseling as required by subsections (b) and (l) of section 485, as long as--*

*“(aa) the institution's staff are in control of the counseling, (whether in person or via electronic capabilities); and*

*“(bb) such counseling does not promote the products or services of any specific lender.*

*“(V) Philanthropic contributions to an institution from a lender, servicer, or guarantor of education loans that are unrelated to education loans or any contribution from any lender, guarantor, or servicer that is not made in exchange for any advantage related to education loans.*

*“(VI) State education grants, scholarships, or financial aid funds administered by or on behalf of a State.*

*“(iii) Rule for gifts to family members.--For purposes of this paragraph, a gift to a family member of an officer or employee of an institution, to a family member of an agent, or to any other individual based on that individual's relationship with the officer, employee, or agent, shall be considered a gift to the officer, employee, or agent if--*

*“(I) the gift is given with the knowledge and acquiescence of the officer, employee, or agent; and*

*“(II) the officer, employee, or agent has reason to believe the gift was given because of the official position of the officer, employee, or agent.*

*“(3) Contracting arrangements prohibited.--*

*“(A) Prohibition.--An officer or employee who is employed in the financial aid office of the institution or who otherwise has responsibilities with respect to education loans, or an agent who has responsibilities with respect to education loans, shall not accept from any lender or affiliate of any lender 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 a lender or on behalf of a lender relating to education loans.*

*“(B) Exceptions.--Nothing in this subsection shall be construed as prohibiting--*



- ``(iii) staffing services on a short-term, nonrecurring basis to assist the institution with financial aid-related functions during emergencies, including State-declared or federally declared natural disasters, federally declared national disasters, and other localized disasters and emergencies identified by the Secretary.*
- ``(7) Advisory board compensation.--Any employee who is employed in the financial aid office of the institution, or who otherwise has responsibilities with respect to education loans or other student financial aid of the institution, and who serves on an advisory board, commission, or group established by a lender, guarantor, or group of lenders or guarantors, shall be prohibited from receiving anything of value from the lender, guarantor, or group of lenders or guarantors, except that the employee may be reimbursed for reasonable expenses incurred in serving on such advisory board, commission, or group.*

## **Sanctions**

A violation of this policy will result in disciplinary action in accordance with the Dismissal policy located in the Staff Handbook.

## **Web Address for this Policy**

[www.ugst.edu/financialaid](http://www.ugst.edu/financialaid)

## **Contacts**

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