



## TITLE IV FINANCIAL AID CODE OF CONDUCT

Mt. Hood Community College  
26000 SE Stark St  
Gresham, OR 97030  
(503)491-7262 Phone  
(503)491-7379 Fax  
[www.mhcc.edu](http://www.mhcc.edu)

In compliance with the Higher Education Opportunity Act [HEOA § 487(a)(25)], a code of conduct for the financial aid personnel of Mt. Hood Community College (hereafter referred to as the College) has been developed and posted.

The following guiding principles shall be effective immediately. These guidelines are designed to avoid any potential for a conflict of interest between the College, its students or their parents in the student financial aid process. The College shall take all reasonable steps to adhere to the following principles in the College's financial aid operations:

**1) The College nor its employees should receive any personal benefit.**

- a) Neither the College as an institution nor any individual officer, employee or agent shall enter into any revenue-sharing arrangements with any lender. The HEOA defines "revenue-sharing arrangement" as any arrangement between the College and a lender under which the lender makes Title IV loans to students attending the College (or to the families of those students), the College 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 College or to its officers, employees, or agents.
- b) No officer or employee of the College who is employed in the financial aid office or who otherwise has responsibilities with respect to education loans, or agent who has responsibilities with respect to education loans, or any of their family members, shall solicit or accept any gift from a lender, guarantor, or servicer of education loans. For purposes of this prohibition, 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. A gift does not include:
  - i) a brochure, workshop, or training using standard materials relating to a loan, default aversion, or financial literacy, such as a brochure, workshop or training,
  - ii) food, training, or informational material provided as part of a training session designed to improve the service of a lender, guarantor, or servicer if the training contributes to the professional development of the College's officers, employee or agent,
  - iii) favorable terms and benefits on an education loan provided to a student employed by the College if those terms and benefits are comparable to those provided to all students at the College,
  - iv) entrance and exit counseling as long as the College's staff are in control of the counseling and the counseling does not promote the services of a specific lender,
  - v) philanthropic contributions from a lender, guarantor, or servicer that are unrelated to education loans or any contribution that is not made in exchange for advantage related to education loans, and

- vi) State education grants, scholarships, or financial aid funds administered by or on behalf of a State.
  - c) An officer or employee of the College who is employed in the financial aid office 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.
- 2) **College employees should not serve on lender advisory boards for remuneration.**
  - a) Any employee who is employed in the financial aid office, or who otherwise has responsibilities with respect to education loans or other student financial aid, 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,
  - b) An employee who is employed in the financial aid office, or who otherwise has responsibilities with respect to education loans or other student financial aid, and who serves on an advisory board, commission, or group established by a lender, guarantor, or group of lenders or guarantors may be reimbursed for reasonable expenses incurred in serving on such advisory board, commission, or group.
- 3) **The College should not provide any advantage to a Lending Institution.**
  - a) The College shall not:
    - i) for any first-time borrower, assign, through award packaging or other methods, the borrower's loan to a particular lender; or
    - ii) refuse to certify, or delay certification of, any loan based on the borrower's selection of a particular lender or guaranty agency.
  - b) The College shall not request or accept from any lender any offer of funds to be used for private education loans, including funds for an opportunity pool loan, to students in exchange for the College providing concessions or promises regarding providing the lender with:
    - i) a specified number of loans made, insured, or guaranteed under Title IV;
    - ii) a specified loan volume of such loans; or
    - iii) a preferred lender arrangement for such loans
- 4) **The College shall not accept staffing assistance.**
  - a) The College shall not request or accept from any lender any assistance with call center staffing or financial aid office staffing,
  - b) An exception is a lender may provide professional development training, educational counseling materials (as long as the materials identify the lender that assisted in preparing the materials), or staffing services on a short-term, nonrecurring basis during emergencies or disasters.
- 5) **The College should make appropriate use of any Preferred Lender Lists.**

- a)** If the College decides to promulgate a list or lists of preferred or recommended lenders for student loans or similar ranking or designation (“Preferred Lender List”), the selection of Lending Institutions for inclusion on the Preferred Lender List shall be made with care and without prejudice for the sole benefit of students and the families and without regard to the financial interests of the College.
- b)** In compiling, maintaining, and making available the preferred lender list, the College shall:
  - i) Disclose detailed information about the terms and conditions of the loans offered by preferred lenders,
  - ii) Disclose why it entered into an arrangement with each lender, particularly with respect to terms and conditions or provisions favorable to the borrower.
  - iii) Disclose that students do not have to borrow from a lender on the preferred lender list,
  - iv) Ensure that the list contains at least three unaffiliated lenders for the Title IV loans and at least two unaffiliated lenders for private education loans. The list must specifically indicate whether a lender is or is not an affiliate of each other lender on the list. If a lender is an affiliate of another lender, the College must describe that affiliation,
  - v) Prominently disclose the method and criteria used in selecting the lenders,
  - vi) Not deny or impede the borrower’s choice of a lender or unnecessarily delay certifying a Title IV loan for a borrower who chooses a lender not on the list.