

# **Financial Aid Services Code of Conduct**

St. John's College, Department of Nursing Financial Aid Services employees are expected to maintain the highest standards of conduct in all aspects of the administration of their duties, specifically including all duties conducted in dealing with any entity involved in any way with financial assistance. This pertains regardless of whether said entities are involved in a government sponsored, subsidized or regulated activity.

Any St. John's College employee who is either directly involved with financial assistance or indirectly involved with financial assistance should:

- Never take any action for his or her personal gain or benefit.
- Never take any action that he or she believes is or might be contrary to law, regulation or the best interests of the students and parents we serve.
- In every circumstance ensure that the information given to students and parents is accurate and unbiased and does not reflect any preference arising from actual or potential personal or institutional gain.
- In every instance be objective in making decisions and advising the college regarding any institution involved in any aspect of student financial assistance.
- Never solicit or accept anything from an entity involved in the making, holding, consolidating or processing of any student loans, including anything of value, including reimbursement of expenses for serving on an advisory board or as part of a training activity of or sponsored by any such entity.
- Always disclose to the college any involvement with or interest in any entity involved in any aspect of financial aid.

# **Statement of Ethical Principals**

St. John's College, Department of Nursing adheres to the National Association of Student Financial Aid Administrators (NASFAA) Statement of Ethical Principles which is denoted below:

The Statement provides that financial aid professionals shall:

- Be committed to removing financial barriers for those who wish to pursue postsecondary learning.
- Make every effort to assist students with financial need.
- Be aware of the issues affecting students and advocate their interests at the institutional, state, and federal levels.
- Support efforts to encourage students, as early as the elementary grades, to aspire to and plan for education beyond high school.
- Educate students and families through quality consumer information.
- Respect the dignity and protect the privacy of students, and ensure the confidentiality of student records and personal circumstances.
- Ensure equity by applying all need analysis formulas consistently across the institution's full population of student financial aid applicants.
- Provide services that do not discriminate on the basis of race, gender, ethnicity, sexual orientation, religion, disability, age, or economic status.
- Recognize the need for professional development and continuing education opportunities.
- Promote the free expression of ideas and opinions, and foster respect for diverse viewpoints within the profession.
- Commit to the highest level of ethical behavior and refrain from conflict of interest or the perception thereof.
- Maintain the highest level of professionalism, reflecting a commitment to the goals of the National Association of Student Financial Aid Administrators.

# **Student Loan Code of Conduct**

## **Prohibition against remuneration to St. John's College, Department of Nursing**

St. John's College will not solicit, accept or agree to accept anything of value from any Lending Institution, Guarantee Agency or Servicer in exchange for any advantage or consideration provided by the Lending Institution related to its student loan activity. This prohibition covers, but is not limited to:

- Revenue Sharing Agreements
- Any computer hardware which St. John's College pays below market prices
- Any computer software used to manage loans unless the software can manage disbursements from all lenders
- Any printing costs, postage or services

This does not prevent St. John's College from soliciting, accepting or agreeing to favorable terms and conditions where the benefit is made directly to student borrowers.

## **Prohibition against remuneration to St. John's College employees**

St. John's College will require and enforce that no officer, trustee, director, employee or agent of the college will accept anything more than a nominal value on his or her own behalf or on behalf of another during any 12 month period from, or on behalf of any Lending Institution, Guarantee Agency or Servicer.

This prohibition will include, but not be limited to a ban on any payment or reimbursement from any Lending Institution, Guarantee Agency or Servicer to college employees for lodging, meals or travel to conferences or training seminars.

This does not preclude any officer, trustee, director, employee or agent of the college from receiving compensation for conducting non-college business with a Lending Institution, Guarantee Agency or Servicer or from accepting compensation that is offered to the general public.

This prohibition does not prevent the college from holding membership in any nonprofit professional associations.

## **Ban on gifts**

No St. John's College employee involved in the affairs of the college's financial aid office shall solicit or accept any gift from a lender, guarantor, or servicer of education loans.

"Gifts" are defined as but not limited to:

any type of gratuity, favor, discount, entertainment, hospitality, loan, or other item having more than a token monetary value. 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.

The following items would not be considered as "gifts":

- 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.
- Food, refreshments, training, or informational material furnished to any officer, trustee, director or college employee, 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, trustee, director or employee.
- 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.
- Entrance and exit counseling services provided to borrowers to meet the institutions responsibilities for entrance and exit counseling as required..."as long as":
  - the institution's staff is in control of the counseling (and)
  - such counseling does not promote the products or services of any specific lender.
- Philanthropic contributions that is unrelated to education loans or any contribution not made in exchange for any advantage related to education loans.
- State education grants, scholarships, or financial aid funds administered by or on behalf of a State.

### **Ban on gifts to family members**

Gifts to family members of any officer, trustee, director or college employee will be considered a gift to said any officer, trustee, director or college employee if:

- the gift is given with the knowledge and acquiescence of the officer, trustee, director or college employee (and)
- the officer, trustee, director or college employee has reason to believe the gift was given because of the official position of said officer, trustee, director or college employee

## **Limits of college employees participating on lender advisory boards**

St. John's College will require and enforce that no officer, trustee, director or employee of the college from receiving any remuneration for serving as a member or participant of an advisory board of any Lending Institution, Guarantee Agency or Servicer or receiving any reimbursement of expenses from said participation.

This does not preclude any officer, trustee, director or employee from participating on any lender advisory board that are unrelated to student loans.

This does not preclude any St. John's College employee not involved in the affairs of the college's financial aid office from serving on the Board of Directors of a publicly traded or privately held company.

## **Contracting arrangements prohibited**

Any officer, trustee, director or employee is prohibited from accepting any payments of any kind from a lender in exchange for any type of consulting services related to educational loans.

- This does not prevent anyone else in the institution that has nothing to do with student loans from entering into these agreements.
- This does not prevent anyone not employed in the financial aid office who has "some" responsibility for student loans from entering into these agreements if that individual in writing, recuses him or herself from any decision regarding educational loans.
- This does not prevent anybody from serving on a Board of Directors or trustee of an institution if the individual recuses him or her self from any decision regarding educational loans.

## **Revenue sharing agreements prohibited**

St. John's College will not enter any revenue sharing agreement where:

- 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
- the institution recommends the lender and in exchange the lender pays a fee or provides other material benefits

## **Prohibition on offers of funds for private loans**

St. John's College will not request or accept any agreement or offer of funds for private loans in exchange for concessions or promises of:

- a specified number of loans made, insured or guaranteed
- a specified loan volume
- a preferred lender arrangement

## **Ban on staffing assistance**

St. John's College will not request or accept from any lender any assistance with call center staffing or financial aid office staffing.

This does not include:

- Professional development training for financial aid administrators.
- Educational counseling materials, financial literacy materials, or debt management materials to borrowers, provided that such materials disclose to borrowers the identification of any lender that assisted in preparing or providing such materials.
- 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.

## **Interaction with borrowers**

St. John's College participates in the Federal Family Education Loan Program (FFELP) and all student and parent borrowers are packaged under that program. In respect to alternative loans:

- St. John's College will not, for any first-time borrower, assign, through award packaging or other methods, the borrower's loan to a particular lender.
- St. John's College will not refuse to certify, or delay certification of, any loan based on the borrower's selection of a particular lender or guaranty agency.

## Preferred Lender Lists

- St. John's College currently maintains a lender list in paper form that is given to students in search of a lender to help finance his or her educational costs.
- St. John's College will not deny or delay processing of any loan if a student requests a lender that is not on our list.
- The St. John's College lender list contains at least three unaffiliated lenders that are willing to make loans at our school.
- St. John's College does not guarantee the student's eligibility for any loan from any of the lenders contained on our list.
- The St. John's College lender list does not include any lenders that have offered financial or other benefits to us in exchange for inclusion on the list.

The St. John's College lender list was developed by submitting requests for information (RFI's) from loan lenders. The lenders were reviewed and rated using the criteria listed below:

- o Availability of funds
  - o Borrower benefits
  - o Customer service
  - o Approval rates
  - o Past history with lenders
- St. John's College updates its lender list and comparison information on an annual basis.

## **Drug Convictions & Financial Aid Eligibility**

Under the Higher Education Act, students become ineligible for federal student aid upon conviction during any period of enrollment of any offense involving the possession or sale of illegal drugs. Federal aid includes Federal Stafford Loans, Federal PLUS Loans, Federal Pell Grants, Federal Supplemental Educational Opportunity Grants, Federal College Work Study, and Federal Nursing Student Loans.

### **Penalties for Drug Convictions**

#### Possession of Illegal Drugs:

- First Offense: 1 year from the date of conviction
- Second Offense: 2 years from the date of conviction
- Third and Subsequent Offenses: Indefinite ineligibility from the date of conviction.

#### Sale of Illegal Drugs:

- First Offense: 2 years from the date of conviction
- Second and Subsequent Offenses: Indefinite ineligibility from the date of conviction.

### **How to Regain Eligibility**

If a student successfully completes a drug rehabilitation program, he or she can regain eligibility for federal student aid funds as of the day the student successfully completes the program.

To be sufficient to reinstate financial aid eligibility, the program must:

- include at least 2 unannounced drug tests

AND

- be recognized as a Federal, State, or local government agency program

### **Free Application for Federal Student Aid (FAFSA)**

Question 31 on the FAFSA form asks if the student has ever been convicted of a drug related offense. Failure to answer the question will automatically disqualify the student from receiving Federal aid. Answering this question falsely, if discovered, could result in fines up to \$20,000, imprisonment, or both.

### **Convictions During Enrollment**

According to the United States Department of Education, if a student is convicted of a drug offense after receiving Federal aid, he or she must notify Financial Aid Services immediately and that student will be ineligible for further aid and required to pay back all aid received after the conviction.

