

Financial Aid Code of Conduct

The Higher Education Opportunity Act (HEOA) requires educational institutions to develop and comply with a code of conduct that prohibits conflicts of interest for financial aid personnel [HEOA Section 487 (a) (25)]. The purpose of this Code of Conduct is to ensure that our students' best interests are always at the forefront of all decisions we make. Any IBS School of Cosmetology and Massage officer, employee, or agent who has responsibilities with respect to student educational loans must comply with this Code of Conduct.

1. IBS School of Cosmetology and Massage has a policy to observe all laws, rules, and regulations of government regulatory agencies and authorities that oversee the school. This specifically includes requirements under the Higher Education Act, regulations of the United States Department of Education, the policies of the school's accrediting agency, as well as other state and federal laws. If federal, state or local law exists that is either contradictory or stricter than this policy, employees must apply the law.
2. No employee or officer of the School shall accept or solicit any gift from a lender, guarantor, or servicer of education loans other than of a nominal value. "Nominal value" means a total retail value of not more than ten dollars (\$10.00) as calculated over a 12- month period. For purposes of this prohibition, the term "gift" means any gratuity, favor, discount, entertainment, hospitality, loan, or other item.
3. Any School employee or officer shall not accept any remuneration or reimbursement of expenses for serving as a member of or otherwise participating on a student loan lender's advisory board, commission, committee, or group established by a lender, guarantor, or group of lenders or guarantors, and shall be prohibited from receiving anything of value from the lender, guarantor, or group of lenders or guarantors, except that the employee or officer may be reimbursed for reasonable expenses incurred in serving on such advisory board, commission, committee, or group.
4. An officer or employee of the School who is employed in the financial aid office, or who otherwise has responsibilities with respect to educational 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 buy 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.

The School prohibits employees, representatives, or agents of a lender for representing themselves as employees of the school to students or parents.

5. The School shall not: a) for any first-time borrower, assign, through award packaging or other methods, the borrower's loan to a particular lender; or b) refuse to certify, or delay certification of, any loan based on the borrower's selection of a particular lender or guaranty agency.
6. The School shall not engage in revenue sharing with any student loan lender. "Revenue sharing" means any arrangement between the school and a student loan lender under which the lender provides or issues loans to students attending the school or to the families of such students; and the school 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 school or its agent.
7. The School shall not request or accept from any lender any offer or funds or be used for private education loans, including funds for an opportunity pool loan, to students in exchange for the institution providing concessions or promises regarding providing the lender with: a) a specified number of private educational loans (non-Title IV loans) or loans made, insured, or guaranteed under Title IV; b) a specified loan volume of such loans; or c) a preferred lender arrangement for such loans. An "opportunity" loan means a student loan provided to borrowers with poor or no credit history, or who otherwise would not meet the student loan lender's eligibility criteria.
8. The School shall not request or accept from any lender any assistance with call center or financial aid office staffing, including in-person school required initial or exit counseling, except as permitted by applicable federal student loan requirements.
9. The School strictly prohibits conflicts of interest between the School and lenders, servicers, or guaranty agencies.
10. The School shall require all of its employees with direct responsibilities relating to student loans to obtain training concerning IBS School of Cosmetology and Massage Student Loan Code of Conduct, applicable federal and state student loan laws and regulations, and related School policies and procedures within 30 days of the date the School adopts this Code or, for new employees, within 30 days of the date of hire. The School shall review its Code of Conduct with all employees who have a direct responsibility relating to student loans by July 1st of each year or within 30 days of new requirements going into effect to ensure these employees maintain current knowledge of the Code and applicable regulations. In addition, each year IBS School of Cosmetology and Massage will review its policy and procedure as part of its compliance plan and in order to ensure that the school is in full compliance with all regulations governing the school.