COTO College Title IV Loan Code of Conduct

The Higher Education Opportunity Act (HEOA) stipulates that an institution of higher learning participating in the Title IV Loan program must create, manage, and implement a code of conduct with respect to education loans. This code of contact applies to all officers, employees, and agents of the college who have responsibilities related to education loans. Further, these individuals must be notified of the provisions contained within the code of conduct no less than once per year.

COTO participates in the Title IV loan program; the COTO College Title IV Loan Code of Conduct reads as follows:

- 1. All officers, employees, and agents of the college who deal directly with education loans shall not enter into any revenue-sharing arrangement with any lender. That is to say, an employee of COTO will not recommend a lender or its products to a student or a student's family in exchange for the lender paying a fee or providing any other material benefits, including revenue or profit-sharing, to the college or its employees.
- 2. No officer or employee of the Financial Aid Office (or employee/agent of the college with responsibilities related to education loans) may solicit or accept any gift from a lender, guarantor, or student loan servicer. A "gift could be considered to be any gratuity, favor, discount, entertainment, hospitality, loan, or other item having monetary value of more than a de minimus (nominal) amount. On the other hand, a gift does not include (1) a brochure, workshop, or training using standard materials relating to a loan, default prevention, or financial literacy; (2) 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 an COTO officer, employee, or agent; (3) loan entrance and exit counseling as long as the counseling does not promote a specific lender; (5) philanthropic contributions from a lender, guarantor, or servicer that are unrelated to student loans or any contribution that is not made in exchange for advantage related to student loans and; (6) State education grants, scholarships, or financial aid funds administered by or on behalf of a State.
- 3. No officer or employee of the Financial Aid Office (or employee/agent of the college with responsibilities related to education loans) may accept from a lender, or an affiliate of any lender, any fee, payment, or other financial benefit as compensation for any type of consulting arrangement or contract to provide services to or on behalf of a lender relating to education loans.
- 4. COTO may not assign a borrower's loan to any particular lender or refuse to certify a private student loan based on the borrower's selection of a particular lender or guarantor.

- 5. COTO may not seek or accept from any lender any offer of funds for private loans, including funds for an opportunity pool loan, to students in exchange for providing concessions or promises to the lender for a specific number of Title IV loans made, insured, or guaranteed, a specified loan volume, or a preferred lender arrangement. An "opportunity pool loan" occurs when a private education loan is made by a lender to a student—or the student's family—that involves a payment by the college to the lender for extending credit to the student.
- 6. No officer or employee of the college with responsibilities related to education loans who serves on an advisory board, commission, or group established by a lender or guarantor (or a group of lenders or guarantors) may receive anything of value from the lender, guarantor, or group except for reimbursement for reasonable expenses incurred by the employee for serving on the board.