



Policy Chapter:	Chapter 05 Human Resources
Policy Number and Title:	05.073 Incentive Compensation

I. Policy Statement

The purpose of this policy is to ensure the University of North Texas complies with federal regulations prohibiting incentive-based compensation in student recruitment and financial aid. Adherence to this policy promotes ethical practices, safeguards the integrity of student support services, and supports the University's mission to provide accessible, high-quality education in a transparent and compliant manner.

II. Application of Policy

All University of North Texas employees and third-party entities engaged in student recruitment, admissions, or financial aid decision-making.

III. Policy Definitions

A. Incentive Payment

"Incentive Payment," in this policy means any sum of money or something of value, other than a fixed salary or wages, paid to or given to a person or an entity for services rendered, including commissions, bonuses, and any similar type of payment.

B. Securing Enrollments or Financial Aid

"Securing Enrollments or Financial Aid," in this policy, means activities that a person or entity engages in at any point in time through completion of an educational program for the purpose of the admission or matriculation of students for any period of time or the award of financial aid to students.

1. These activities include contact in any form with a prospective student, such as, but not limited to, contact through preadmission or advising activities, scheduling an appointment to visit the enrollment office or any other office of the institution, attendance at such an appointment, or involvement in a prospective student's signing of an enrollment agreement or financial aid application.
2. These activities do not include making a payment to a third party for the provision of student contact information for prospective students, provided that such payment is not based on:
 - a. Any additional conduct or action by the third party or the prospective student, such as participation in preadmission or advising activities, scheduling an appointment to visit the enrollment office or any other office of the institution or attendance at such an appointment, or the signing, or being involved in signing, of a prospective



student's enrollment agreement or financial aid application; or

- b. The number of students (calculated at any point in time of an educational program) who apply for enrollment, are awarded financial aid, or are enrolled for any period of time, including through completion of an educational program.

C. Covered Entity or Person

"Covered Entity or Person," in this policy, means:

1. any institution or organization that undertakes the recruiting or admitting of students or that makes decisions about and awards Financial Student Aid (FSA) funds; and
2. any employee who undertakes recruiting or admitting of students or who makes decisions about and awards FSA funds, and any higher-level employee with responsibility for recruitment or admission of students, or making decisions about awarding FSA funds.

D. Enrollment

"Enrollment," in this policy, means the admission or matriculation of a student into an eligible institution.

IV. Policy Responsibilities

A. Generally

The University may not provide any Incentive Payment based directly or indirectly on securing enrollment or financial aid to any Covered Entity or Person.

B. Exclusion

This prohibition does not apply to the recruitment of foreign students residing in foreign countries who are ineligible for federal student aid.

V. References and Cross-References

[20 U.S. Code § 1094](#)

[34 CFR 668.14\(b\)\(22\)](#)

[U.S. Department of Education Incentive Compensation Q&A: Types of Activities, See Table 1 & 2](#)

VI. Revision History

Policy Contact:	Assoc. VP, Student Financial Aid
Approved Date:	06/04/2026
Effective Date:	06/05/2026



Revisions:	
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