REFUND POLICY

The Art Institute of Houston

The Art Institute of Austin
A Branch of The Art Institute of Houston

The Art Institute of San Antonio
A Branch of The Art Institute of Houston
Examples of the calculations for these policies are available in the Student Accounting Office

Refund Policies
As allowed under Federal, state, and accreditation agency rules, the refund policy may be changed. Students will be notified approximately sixty (60) calendar days in advance of any changes. Students dropping all courses in a term are considered withdrawn for refund purposes. All students will be subject to the institutional refund policy. In addition, students who receive Federal student aid are also subject to the Return of Title IV Funds Policy.

Initial Period of Enrollment and Cancellation Refund Policy for First-Time Undergraduate Students Enrolled On-Ground

For purposes of this Initial Period of Enrollment Policy, a first-time undergraduate student is defined as a student who is not currently enrolled, is not a prior graduate from an undergraduate program, and does not have a prior enrollment in a withdrawn or dismissal status.

For students in graduate programs and undergraduate students who have previously attended, please see the Refund Policy Prior to Class Start section of the enrollment agreement and catalog.

The school provides all new applicants seeking a first-time enrollment in any on-ground undergraduate program of study, including hybrid programs, an Initial Period of Enrollment. The Initial Period of Enrollment allows first-time undergraduate students the ability to begin classes as a non-regular student, without any financial penalty, to determine if our school and educational program are right for the student. Students who enroll may cancel their enrollment prior to the start of the term or within seven (7) calendar days following the first day of the student’s first scheduled class, whichever is later (referred to as the “Initial Period”).

The chart below illustrates the days in the Initial Period for a non-regular student:

<table>
<thead>
<tr>
<th>Class Days</th>
<th>Initial Period Days</th>
<th>Number of Calendar Days in Initial Period</th>
</tr>
</thead>
<tbody>
<tr>
<td>April 28th = 1st Scheduled Class</td>
<td></td>
<td>1</td>
</tr>
<tr>
<td>April 29th</td>
<td>1st Day of Initial Period</td>
<td>2</td>
</tr>
<tr>
<td>April 30th</td>
<td>2</td>
<td>3</td>
</tr>
<tr>
<td>May 1st</td>
<td>3</td>
<td>4</td>
</tr>
<tr>
<td>May 2nd</td>
<td>4</td>
<td>5</td>
</tr>
<tr>
<td>May 3rd</td>
<td>5</td>
<td>6</td>
</tr>
<tr>
<td>May 4th</td>
<td>6</td>
<td>7</td>
</tr>
<tr>
<td>May 5th</td>
<td>7th = Last Day of Initial Period</td>
<td>8</td>
</tr>
<tr>
<td>May 6th</td>
<td>Initial period over – student is eligible to be reviewed for full admission</td>
<td>9</td>
</tr>
</tbody>
</table>
A first-time undergraduate student who notifies the school of the intent to withdraw in person or in writing, or simply stops attending and does not attend classes past the seventh (7th) calendar day following the student’s first day of the term or first scheduled class, whichever is later, will be considered a cancellation. The school will refund any monies paid on the student’s behalf and will remove any charges from the student’s account. All refunds will be made within thirty (30) calendar days of the date of the cancellation.

During a first-time student’s Initial Period of Enrollment in an undergraduate program, the student is considered a non-regular student for federal student aid purposes and is not eligible to receive federal, state or any other types of aid during this period.

Please note, a first-time undergraduate student who is receiving military educational benefits may incur a debt with the benefit provider for educational benefits paid if the student cancels within the seventh (7th) calendar day following the student’s first scheduled class or does not meet the requirements for admission to the school.

Students who complete the Initial Period of Enrollment will be reviewed for full admission into the school as a regular student on the ninth (9th) respective calendar day (the day after the first calendar day plus seven (7) calendar days). Students are required to meet all school admission requirements and any additional programmatic admission requirements that apply to the student’s program of study. Students completing the Initial Period of Enrollment who continue in the educational program will be subject to all student policies back to the first day of the student’s first term or first scheduled class day, whichever is later, including the withdrawal, refund and Return to Title IV policy should the student cease attending at a later date.

In order to qualify for aid, students must be a regular student and meet all federal, state, or other types of aid eligibility requirements.

Cancellation Refund Policy Student Examples for On-Ground Students:

Example 1:

1. Student’s first scheduled class is January 5th.
2. Student ceases to attend and his or her last date of attendance is January 9th (the 4th day).
3. Student would no longer be enrolled and would not be eligible for any Title IV, state aid and other aid program funding nor would the student be charged tuition or fees for any portion of his or her Initial Period or for the term.
4. Students receiving military educational benefits may incur a debt with the benefit provider for educational benefits paid.

Example 2:

1. Student’s first scheduled class is January 5th.
2. Student remains enrolled and attends class through January 14 (the 9th day), then ceases enrollment and attendance.
3. Student would be charged for the full class amount and his or her refund, if any, would be calculated based on withdrawal on day ten (10) of the class.
4 Student would be eligible for Title IV, veteran’s benefits, state aid, and other aid programs, if all other conditions are met for admission and aid eligibility, since he or she became a regular student after January 11th (the 7th day).

5 Students receiving military educational benefits may incur a debt with the benefit provider for educational benefits paid.

Starting kits purchased from The Art Institutes will only be subject to the refund provisions, found above, if returned to the school in condition for resale within twenty-one (21) calendar days from the first scheduled class.

**Refund Policy Prior to Class Start**

Applicants may cancel their enrollment in person or in writing before the beginning of classes.

An applicant not requesting cancellation before the scheduled starting date indicated on the enrollment agreement will be considered a student.

1. All monies paid by applicants will be refunded if they are not accepted for admission.
2. All monies paid by the applicant will be refunded if a request to cancel the contract is made by the applicant prior to the beginning of classes or within five (5) business days after signing the enrollment agreement, whichever is later, and making an initial payment.
3. Refunds will be made within thirty (30) calendar days after the applicant’s/student’s request to cancel application or within thirty (30) calendar days after his/her first scheduled class.

**Refund Policy After Class Start**

In the event of withdrawal by the student or termination by the school during any quarter of study:

1. Prepaid tuition and fees for any period beyond the student’s current quarter will be refunded in full.
2. The student may officially withdraw from school by notifying the Office of the Registrar in person or in writing. The termination date will be the student’s last date of attendance. If the student stops attending without notifying the Office of the Registrar, the school shall determine the date of withdrawal. This determination date will be considered the notification date for refunding purposes. Refunds due shall be paid within thirty (30) calendar days of the notification date, unless the student is withdrawing at the end of the quarter.
3. Refunds for a student notifying the school prior to the end of a quarter that he/she will be withdrawing at the end of that quarter will be paid within thirty (30) calendar days of the last day of that quarter.
4. For a student who attended a previous quarter of study and did not indicate that he/she was not returning, refunds will be made within thirty (30) calendar days of the first scheduled day of class in the quarter in which the student was expected to return.
5. The refund shall be paid to the student, unless payment to a lender or other entity is required by the terms of a student financial aid program in which the school participates.
6. A student who must withdraw due to documentable mitigating circumstances, such as extreme illness or personal emergency, that make it impractical for the student to complete the quarter, may file an appeal requesting an adjustment to his/her account balance for the term in which the student
withdrew. A written appeal must be submitted to the Dean of Academic Affairs or the Appeals Committee for review. The written appeal must be supported with appropriate documentation of the mitigating circumstance(s). If the student’s appeal is approved, the student may be eligible to receive a financial credit, to be determined by the school, to the student account balance at the time of return.

7. A separate lease agreement and refund policy exists for students who lease housing accommodations arranged by the school. The school reserves the right to apply any student payment, or any refund due a student, to any student financial liability.

8. Each academic quarter is eleven (11) weeks in duration. The calculation of refunds is based upon the last day of attendance within the quarter.

9. Session II academic terms are approximately five and one-half (5 ½) weeks in duration. The calculation of refunds is based upon the last day of attendance within the term. Information in the catalog or student handbook will apply except for the following changes specific to Session II courses: The add/drop period is two (2) days from the start of Session II courses and financial aid eligibility may change if the student drops or adds one or more courses. Please see your Financial Aid Officer before dropping or adding a course.

10. If a student has not attended sixty (60) percent of the academic term, the school shall not retain or be entitled to payment for a percentage of any tuition and fees or other educational costs for a session that was scheduled to be taken during the relevant academic term but was not attended because the student withdrew from school prior to the commencement of the session. For example, if a student is enrolled for multiple sessions within the term but withdraws completely from school prior to the start of a subsequent session within the academic term, the adjustment of charges based on the student’s last date of attendance will be applied to the applicable period of attended session(s) using the session(s) charges and the start date of the first attended session through the end date of the last attended session within the academic term. Charges for the unattended session(s) after the student’s last date of attendance within the academic term will be reversed for the Institutional Refund Policy, or State Refund Policy, where applicable. The reversal of applicable charges will be completed after the Return of Title IV Policy. For the Return of Title IV, the evaluation period and term charges include the entire period in which the student registered.

11. If a student has attended sixty (60) percent of the academic term, the evaluation period and academic term charges include the entire period in which the student registered. The Institutional Refund Policy, or State Refund Policy, where applicable, shall be applied based on the student’s last date of attendance in the academic term using the academic term charges, aid disbursed during the academic term, and the start date of the first session through the end date of the last session within the academic term. For the Return of Title IV, the evaluation period and academic term charges include the entire period in which the student registered.

Adjustment of Charges for the Quarter or Courses Only Delivered in Session I or in Session II

In accordance with school policy, in the event of withdrawal by the student, or suspension or termination by the school:

1. Refer to the Kits, Components of the Kits, Books, or Supplies Return Policy below.
2. In the event of withdrawal or suspension or termination from school, the school will retain earned tuition and fees for the quarter and mid-quarter or single course as follows, based on the week in which the student withdraws:
Week 1 25% of the term’s tuition and fees
Week 2 50% of the term’s tuition and fees
Week 3 75% of the term’s tuition and fees
After Week 3 100% of the term’s tuition and fees

Refund Policy for Online Course Withdrawal
Students who withdraw from a Session I or Session II online course after the add/drop period are treated the same as if they withdrew from an on-ground course. Session II courses begin approximately the day after the Session I courses end, and run approximately five and one-half (5 ½) weeks. The ending date of the second session may not coincide with ending date of the on-ground courses.

Official and Unofficial Withdrawal
To officially withdraw, the student will need to notify the Office of the Registrar in person or in writing. The registrar will assist the student to complete the withdrawal process and will determine the last date of attendance and the date of determination. The date of determination would be the earlier of the date the student begins the school’s withdrawal process or the date the student provides notice. For students who unofficially withdraw, the Registrar will determine the last date of attendance using attendance records. The refund policies shall apply in the event that a student withdraws, is suspended, or is terminated from school.

The Art Institutes are dedicated to serving and assisting our students. A student who encounters issues that require him/her to discontinue attendance in his/her course(s) within or following a quarter, but intends to continue taking courses in a subsequent quarter, may request to reenter and register for the appropriate term. The student must complete a Withdrawal Form obtained by contacting his/her Academic Counselor or the Office of the Registrar. Students who provide a return start date may be scheduled into new or retake courses. Students may also request a re-entry appointment with Financial Aid during the official withdrawal process. The date of determination would be the date the student provides notice. All students will be subject to the necessary refund policies as outlined.

A student who withdraws from a program before the end of week nine (9) for an eleven (11) week term (before the end of week four (4) for a five and one-half (5 ½) week term) will be assigned a “W” code for each course within that quarter. Every course for which a student receives an “F”, a “UF”, or a “W” grade/code must be repeated and completed with a passing grade in order to graduate. The original grade/code and the subsequent passing grade(s) will remain on the record for reference purposes. However, when a course is successfully repeated, only the passing grade will be computed in the grade point average. Tuition is charged for repeated courses.

When a final course grade has been established and recorded in the student record, the grade may not be changed without approval by the Academic Director or Chair and the Dean of Academic Affairs. Withdrawals and failed courses can affect the student’s Incremental Completion Rate and ability to succeed.
For the purpose of determining a refund, a student is deemed to have withdrawn from a course of instruction when any of the following occur:

1. The student notifies the school of withdrawal or of the date of withdrawal.
2. The school terminates the student’s enrollment in accordance with institutional policies.
3. The student exceeds the number of absences allowed in accordance with institutional policies, and must be withdrawn from school. The date of withdrawal shall be deemed the last date of recorded attendance.
4. All refunds and return of funds will be made within thirty (30) calendar days of the date of determination.

Kits, Components of the Kits, Books, or Supplies Return Policy
If kits, components of the kit, books, supplies, or uniforms, are returned to the Supply Store in resalable, completely unused condition within twenty-one (21) calendar days of withdrawal, a credit will be given. Students who leave school during the first three weeks of the mid-quarter session may return the starting kit and/or individual components of the starting kit within ten (10) calendar days of the last date of attendance in the mid-quarter.

All refunds and return of funds will be made within thirty (30) calendar days of the date the student notifies the school of the withdrawal.

Return of Federal Title IV Aid
In compliance with Federal regulations, the school will determine how much Federal student financial assistance the student has earned or not earned when a student who is a Title IV recipient withdraws from school.

The school will calculate the percentage and amount of awarded Federal student financial assistance that the student has earned if the student withdraws up through the sixty (60) percent point of the term or session if the student is only attending a session. If the student has completed more than sixty (60) percent of the term, the student earns one hundred (100) percent of the Federal student financial assistance.

The amount earned will be based on the percentage of the term that was completed in days up to and including the last date of attendance. To calculate the amount earned, the school will determine the percentage by dividing the number of calendar days completed in the term up to and including the last date of attendance by the total number of calendar days in the term. If there is a scheduled break of five (5) or more days, it will reduce the term length and if the scheduled break is before the student’s last date of attendance, it will also reduce the calendar days completed.

If the student received more than the amount of Federal student financial assistance earned, the difference will be returned to the Federal student financial assistance programs from which funds were received in the following order: Federal Unsubsidized Direct Loans, Federal Subsidized Direct Loans, Federal Perkins Loans, Federal Direct PLUS Loans, Federal Pell Grant, Federal Supplemental Educational
Opportunity Grant. Funds will be returned to the aid source within forty-five (45) calendar days of the date that the school determines that the student has withdrawn.

If more Federal student financial assistance has been earned than has been received, the student may be eligible for a post-withdrawal disbursement. The school will notify the student of any post-withdrawal disbursement loan funds for which the student may be eligible and what steps need to be taken for the Federal financial assistance funds to be received. The student or parent, in the case of the Federal PLUS Loans, needs to provide permission before any loan funds may be disbursed on the student’s account or disbursed to the student or parent. However, the school may automatically use all or a portion of the post-withdrawal disbursement of grant funds for tuition, fees, and room and board charges (as contracted with the school), and, with the student’s authorization, the school may automatically use the grant funds for other educationally-related charges. Any balance of grant funds that may be available will be offered to the student.

If Federal student financial assistance funds need to be returned, the institution must return a portion or all of the unearned funds equal to the lesser of:

- The institutional charges multiplied by the percentage of the unearned Federal student financial assistance funds; or
- The entire amount of unearned funds.

If there are remaining unearned Federal financial aid funds to be returned, the student must return any loan funds that remain to be returned in accordance with the terms and conditions of the promissory note. If the remaining amount of funds to be returned includes grant funds, the student must return any amount of the overpayment that is more than half of the grant funds received. The school will notify the student as to the amount owed and how and where it should be returned.

If students are only scheduled to attend Session I or Session II, the Return of Title IV calculation as described in the Enrollment Agreement will be applied to the applicable Session attended using the session start and end dates.

**Financial Aid Refund Distribution Policy**

All students receiving financial aid who withdraw from the program may have to return any refund amount to the appropriate Student Financial Aid Program in accordance with the refund distribution schedule which follows:

1. Federal Unsubsidized Direct Loan
2. Federal Subsidized Direct Loan
3. Federal Perkins Loan
4. Federal PLUS
5. Federal Pell Grant
6. Federal Supplemental Educational Opportunity Grant
7. Other federal, state, private, or institutional aid programs, if required by the program
8. Students
Additional Financial Information

Non-Payment of Charges
Non-payment of tuition, fees and/or other charges due to the school will result in the student being obligated for interest, collection agency costs and additional collection costs, and legal costs. In addition, the school reserves the right to report the student’s failure to pay amounts owed to one or more national credit bureau organizations and not release the student’s academic transcript until all debts to the school are paid in full.

Interest on Outstanding Balances
Students who have entered into a retail installment contract with the school may be subject to interest being charged. Please reference the retail installment contract and disclosure documents to understand the interest rate that may be charged and how interest charges are computed.

Financial Plan
If a student elects a financial plan, it will comply with the Truth in Lending Regulation Z and is part of this Agreement. ANY CHANGES IN THE STUDENT FINANCIAL PLAN MUST BE UPDATED WITH EACH CHANGE OCCURRENCE.

Financial Information
Tuition and Fees Subject to Change:

The per credit hour rate is subject to an increase at least once per calendar year, and supply kit prices, fees, or program length may also increase periodically. Such changes will increase the total cost of the program and may occur before the student begins classes.

In the event of a change in per credit hour rate, fees, and/or program length, my program cost will be recalculated. Any changes to tuition, fees, or program length will be communicated to students.

Re-entering students will be subject to the current per credit tuition charge at the time of re-enrollment.

Each academic quarter is typically eleven (11) weeks.

Special U.S. and overseas trips are voluntary and are not included in regular tuition and fees.