

Barber and Cosmetology Schools: Performance and Refund Study

Senate Bill 1170, 82nd Legislature



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August 2012



TEXAS DEPARTMENT OF LICENSING AND REGULATION

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August 31, 2012

The Honorable John Carona, Chair
Texas Senate Committee on Business and Commerce
P.O. Box 12068
Austin, TX 78711-2068

The Honorable Mike Hamilton, Chair
Texas House Committee on Licensing and Administrative Procedures
P.O. Box 2910
Austin, TX 78768-1920

Dear Chairman Carona and Chairman Hamilton:

Pursuant to Senate Bill 1170, related to the regulation of barbers and cosmetologists and enacted by the 82nd Texas Legislature during the 2011 Regular Session, the Texas Department of Licensing and Regulation (TDLR) conducted the enclosed study analyzing the performance of barber schools and beauty culture schools. Included in the study is a review of the payment of refunds and recommendations for improvements to the process for refunds to eligible students.

As part of our study of these important issues, TDLR consulted with the Advisory Board on Barbering, the Advisory Board on Cosmetology, national accrediting organizations for barbers and cosmetologists, representatives of barber schools and beauty culture schools, barbers, cosmetologists, students, and other interested parties. The study is divided into five sections:

- Section One: Overview
- Section Two: Input, Research, and Methods of Inclusion
- Section Three: Study of Current Refund Policies
- Section Four: Comparison and Analysis
- Section Five: Options and Recommendations

As indicated above, Section Five provides options and recommendations for improving school performance and the refund process. TDLR stands ready to assist the Legislature in any way.

Please let me know if you need any further information regarding the enclosed study.

Sincerely,

A handwritten signature in blue ink that reads "William H. Kuntz, Jr." with a stylized flourish at the end.

William H. Kuntz, Jr.
Executive Director

cc: Members of the Texas Senate Committee on Business and Commerce
Members of the Texas House Committee on Licensing and Administrative Procedures

Frank S. Denton, Chair – Conroe, Texas

Mike Arismendez – Littlefield, Texas

LuAnn Morgan – Midland, Texas

Fred Moses – Plano, Texas

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Section One: Overview

Overview

The Texas Department of Licensing and Regulation (TDLR) was asked to study and report on barber and cosmetology school performance, including payment of refunds and recommendations for improvements to the refund policy and school performance. TDLR consulted with its advisory boards, national accrediting agencies, school representatives, and other interested parties in conducting the study.

To illustrate the scope of impact, the changes in school and student populations in the last three years are shown below (as of July 2012):

TYPE	TOTAL SCHOOLS	PRIVATE SCHOOLS	3 YR PRIVATE CHANGE	TOTAL STUDENTS	3 YR STUDENT CHANGE
Barber	42	41	+3	2,260	-25
Cosmetology	431	215	+29	23,483	+539
Total	473	256	+32	25,743	+514



**Section Two: Input,
Research, and
Methods of Inclusion**

Input, Research, and Methods of Inclusion

TDLR's study and report was derived from surveys (1,149 responses) and face-to-face interaction with barber and cosmetology students, schools, accrediting agencies, and licensed professionals. The agency gathered information about school performance and the tuition refund policy as follows:

- An online survey of barber and cosmetology school representatives (summarized in Section 3).
- An online survey of TDLR's barber and cosmetology licensees and students (summarized in Section 3).
- An intensive brainstorming session, held in Austin at TDLR's north campus facility on May 14, 2012, garnering feedback from key stakeholders; and
- An online survey for other states' input on their refund policies.

TDLR used the online survey to gather information from affected parties, affording them all-hours access to TDLR without the hassle of traveling to Austin and disrupting their business or school routines. Similar questions were asked of both the schools and students. Generally, students in barber and cosmetology schools who used the online survey emphasized the need for more "plain talk" from the school in explaining the refund policy, and some were unaware of the existence of any policy. Nearly one in three asked that the money being refunded to them be returned promptly. (See *Appendix A*)

TDLR's brainstorming session started with panel comments from representatives of the barber and cosmetology industries. Comments on refund and school performance were given by:

- Holly Zapata, a third-generation hairdresser with Aveda Institute of San Antonio and Corpus Christi, and board member representing cosmetology for Career Colleges and Schools of Texas;
- Peggy Barron, a cosmetology instructor at San Jacinto College Central for the past 29 years, and currently Program Director; and
- Neil Amari, a financial aid specialist from Ogle School.

A commissioner of the National Accreditation Commission of Career Arts and Sciences (NACCAS), Bill Church, also a school owner, contributed to the discussion as a participating audience member.

As with all brainstorming sessions hosted by TDLR for all of its regulated industries, we established the following ground rules:

- 1) All ideas will be recorded.
- 2) No idea is ridiculous.
- 3) No judgments are to be made - just solutions.
- 4) Build on each other's ideas.
- 5) Generate as many ideas as possible to help develop recommendations to better measure school performance and to determine what a refund policy should look like.

The nearly 50 participants in the brainstorming session were asked:

- What components make up a good refund policy?
- What is the best way to measure school performance?
- What should be done about improving school performance?
- How should school performance be measured?

The participants in the brainstorming session offered recommendations for changes in the law and rules governing the refund policy. They emphasized:

- A good refund policy should be fair (to both student and school), simple, easily understood and well publicized;
- Rules should be standardized for both barbering and cosmetology, regarding tracking and refunding of tuition payments;
- Any refund policy should consider the fact that a school's cost for training is greater at the beginning of a course than at the end;
- Clearly articulate what constitutes a "dropped" student and one who is "withdrawn;"
- Standardize the way a refund is determined by offering a "refund calculator;"
- Consider adopting the refund policy of the U.S. Department of Education as a standard in Texas; and
- Implement a system of "tiers," by which scheduled hours are used to determine payment periods and refunds.

TDLR reviewed the online surveys, researched practices used in other states for barber and cosmetology student tuition refunds, and consulted with national school accrediting organizations. A summary of findings from our analysis of data provided by NACCAS is provided in *Appendix B*.



**Section Three: Study of
Current Refund Policies**

Study of Current Refund Policies

TDLR enforces cosmetology and barbering student tuition-refund requirements. Current laws require private beauty culture schools and barber schools to “maintain a refund policy to provide for the unused part of tuition, fees, and other charges paid by a student, who ... fails to enter/begin the course of training, withdraws from a course of training or is terminated from the course of training before completion of the course.”¹ Public schools offering these programs are not subject to TDLR’s requirements. They are regulated by other Texas agencies.

As the Department’s refund regulations only apply to private cosmetology and barbering schools and these schools are proprietary occupational schools, the Department has also reviewed the refund policies for other career schools in Texas, many of which are regulated by the Texas Workforce Commission (TWC) and subject to the Texas Education Code Chapter 132 requirements.² In addition, the Department reviewed the tuition refund requirements of cosmetology and barbering schools operating in other states and examined the tuition refund minimum guidelines required by national accreditation organizations.

As a result of this review of state and national tuition refund policies, the Department considers it possible to modify refund procedures and recommend a fair and consistent tuition refund policy. A brief review of existing tuition refund policies is given below:

TDLR cosmetology and barber schools: Student tuition refunds are based on the period of enrollment, computed on the basis of course time expressed in scheduled hours. Student tuition refund percentages are tiered and calculated according to the effective date of withdrawal or termination. A student is not entitled to a refund of outstanding tuition if the student has completed more than 50 percent of the course.³

Texas Workforce Commission career schools and colleges: Student tuition refunds are based on the period of enrollment computed on the basis of course or program time. The student tuition refund is a pro rata amount based upon the length of time the student is enrolled in the course, up to 75 percent of course completion. A student is not entitled to a tuition refund if the student has completed 75 percent or more of the total number of hours in the portion of the program for which the student has been charged.⁴

California private postsecondary schools, including cosmetology and barbering schools: If institution participates in federal student aid programs, student tuition refunds are calculated consistent with federal student aid program guidelines. If an institution does not participate in federal student aid programs, the student is entitled to pro rata refund if student completed 60 percent or less of the period of attendance. A pro rata refund shall be no less than the total amount owed by the student for the portion of the education program provided subtracted from the amount paid by the student, calculated as follows: the amount owed equals the daily charge for the program (total institutional charge, divided by the number of days or hours in the

¹ TEX. ADMIN. CODE § 1602.458 (relating to cosmetology) and TEX. ADMIN. CODE § 1601.563 (relating to barbering).

² TEX. EDUC. CODE § 132.061 (Refund Policy).

³ TEX. OCC. CODE §§ 1602.459 and 1601.564.

⁴ TEX. EDUC. CODE § 132.061(b).

program), multiplied by the number of days the student attended, or was scheduled to attend, prior to withdrawal.⁵

Colorado private occupational schools, including cosmetology and barber schools: Student tuition refund percentages are tiered and based upon the termination or withdrawal date of the student and the percentage of the program completion. The tuition refund is calculated as a percentage of the contract price of the program.⁶

Florida independent post-secondary institutions, including cosmetology and barber schools: Student tuition refund must follow both federal refund guidelines for students receiving federal financial assistance, and the tuition refund is prorated based upon the length of time the student remains enrolled, up to a minimum of 40 percent of a program, if the student is charged for an entire program; or 20 percent if the student is charged for a term, quarter, semester or other time period that is less than the duration of the entire program.⁷

Minnesota cosmetology schools: Student tuition refund percentages are tiered and based upon the percentage of total program hours of training completed. The tuition refund is calculated as a percentage of the total tuition. A student is not entitled to a refund after 50 percent of the program training has been completed.⁸

New York proprietary schools, including cosmetology and barber schools: Student tuition refund percentages are tiered and based upon the withdrawal date of the student and the percentage of the term, quarter, or period completed. The school is entitled to retain the specified percentage of tuition charges.⁹

Pennsylvania private licensed schools, including cosmetology and barber schools: Student tuition refund percentages are different for programs greater than 6 weeks versus those less than 6 weeks. For programs greater than 6 weeks, the student tuition refund percentages are tiered and based upon the withdrawal date and percent completion of the term for the program. The refund is calculated as a percentage of the tuition for the term, semester or quarter. The term, semester or quarter may not exceed 18 weeks. For programs less than 6 weeks, the student tuition refund percentages are based upon the total clock hours of the program.¹⁰

Accrediting Council for Continuing Education & Training (ACCET) private postsecondary institutions, including cosmetology schools: Student tuition refund will be calculated using the last date of attendance. After the first week of attendance, student tuition refund percentages are pro rata based upon the last date of attendance. During the first week, student tuition refund is at least 90 percent of the stated tuition. After the student completes 50 percent of the course, the student is not entitled to a tuition refund.

⁵ CAL. ED. CODE §§ 94919 – 94922 (2012); 5 C.C.R. 71750 (2012).

⁶ COLO. REV. STAT. 12-59-114; 8 C.C.R. 1504-1(VIII).

⁷ FLA. STAT. 1005.04(f); FL. ADMIN. 6E – 1.0032(i).

⁸ MINN. STAT. § 155A.30; MINN. R. 2110.0650.

⁹ N.Y. EDUC. LAW § 5002(3).

¹⁰ 22 PA. CODE § 73.134.

Council on Occupational Education (COE) private and public postsecondary institutions, including cosmetology schools: Student tuition refund percentages are tiered and based upon the percentage of the program attended, if the student incurs a financial obligation for a period of 12 months or less. The student is not entitled to a tuition refund after the student has attended the program for more than 50 percent of the program. If the program is longer than 12 months and financially obligates the student to a period of longer than 12 months, the institution shall release the student of the obligation to pay beyond the 12 months if the student withdraws during the first 12 months. The calculation of the refund for the unused portion of the first 12 months shall be as above. If the student withdraws during any subsequent period following the first 12 months, the student's refund for the unused portion of the tuition applicable to the period of withdrawal shall be the same as above as well.¹¹

National Accrediting Commission of Career Arts & Sciences (NACCAS) private postsecondary institutions, including cosmetology schools: Student tuition refund percentages are tiered and based upon the withdrawal date, termination date, or last date of attendance, as a percentage of the program completed to total length of program, course, semester or term. Refund calculation for schools required to take attendance is based upon the date of withdrawal or termination; however, for clock hour schools, the refund is based upon the student's last date of attendance. Unofficial withdrawals for non-clock hour students are based upon the students' completion of class participation or other academically related activities. The tuition refund is calculated as a percentage of the total tuition for the program, course, semester or term. The student is not entitled to a tuition refund if more than 50 percent of the program, course, semester or term has been completed.¹²

Texas cosmetology schools currently report, upon termination or withdrawal, a student's accrued hours and whether tuition has been paid. If a school indicates a student's tuition is not paid, TDLR's executive director does not have authority to certify the student's transcript so the student may transfer accrued hours to another school.¹³ This prevents students from using the accrued hours towards licensure. Intended or not, this created a potential barrier to employment as those students are unable to complete their training unless they pay for the hours or duplicate them at another school.

TDLR's requirement to determine whether tuition has been paid is only a matter for cosmetology schools, as barber schools are not subject to the same statutory provision.

Student tuition refund calculations must not only satisfy state requirements and accreditation guidelines but also must meet U.S. Department of Education federal financial aid guidelines for the return of Title IV funds when a student withdraws from a program for which the student received federal financial aid. While the federal financial aid and the program tuition amounts are not necessarily the same, often the student will be relying upon federal financial aid to cover tuition. According to federal guidelines, a student only earns the federal financial aid upon completing 60 percent or more of the program based upon the withdrawal date of the student. It

¹¹ Council on Occupational Education, *Policies and Rules of the Commission*, (2012 Edition) p.43.

¹² National Accrediting Commission of Career Arts & Sciences, *NACCAS 2012 Handbook*, (Pub. July 11, 2012), pgs. 41 – 44.

¹³ TEX. ADMIN. CODE § 1602.455(c) (relating to cosmetology).

is possible for the student to earn aid which the school is required to refund to the student. It is also possible for the student to owe the school tuition after student aid has been accounted for, either by applying earned aid to the tuition or returning unearned aid to Title IV. Often, students are unaware of their tuition obligations if the aid must be returned or is otherwise insufficient to cover the full tuition.

To evaluate the typical tuition at barber and cosmetology schools in Texas, TDLR requested input through the online surveys offered to Texas barber and cosmetology schools, licensees and students. The cost of tuition by school type is shown below ranked by percent:

COSMETOLOGY TUITION	COUNT	PERCENT
\$10,001 – \$20,000	96	37%
\$5,001 – \$10,000	79	31%
\$0 - \$5,000	73	28%
\$20,001 or greater	9	4%

BARBER TUITION	COUNT	PERCENT
\$10,001 – \$20,000	14	45%
\$5,001 – \$10,000	10	32%
\$0 - \$5,000	7	23%



**Section Four:
Comparison and
Analysis**

Comparison and Analysis

As of 2010, the most recent year for which data is available, 105 (41%) of the 256 Texas barber and cosmetology private schools are NACCAS accredited, accounting for 7,643 students (the second highest number of students after California). Using NACCAS schools' data to compare Texas' NACCAS schools to the other states' and territories' NACCAS schools, Texas rated:

- 48th out of the 52 states and territories in U.S. government loan use,
- 43rd in job placement rates,
- 36th in completion rates, and
- 21st in licensure.

It should be noted that NACCAS and Texas typically count schools differently: whereas NACCAS only counts school owners, Texas counts each school campus the owner has. For purposes of this study, Texas schools were counted using the NACCAS format.

An analysis of data and other information provided by school representatives, licensees, and students through the public brainstorming session and surveys sponsored by TDLR revealed the following about the refund practices of barber and cosmetology schools:

- About 70 percent have issued at least one refund to a student.
- About 80 percent of the schools provide their students with a copy of the school refund policy, but only 74 percent explain that policy to the students.
- About 65 percent believe the refund policy now in place is effective.
- About 76 percent believe the change to scheduled hours from clocked hours will improve the refund policy.

Survey data also revealed the extent to which schools participate in student financial aid programs:

- Financial aid is offered at 80 percent of the schools which responded, and roughly the same number of schools say students receiving aid do not have different tuition schedules.
- Half of the schools regard a student to be in debt to the school for the amount of any refund paid back to the U. S. Department of Education.

Our analysis went beyond evaluating how schools handle the indebtedness of students who do not finish their courses of study. To the question about measuring school performance, the brainstorming participants said:

- Schools should ensure that the following items are documented: grading policy, specific course curriculum, and how the practicum and "hours" are quantified;
- Written tests should focus on regulatory matters, with more technical aspects handled by the practical exam, which should be the best measure of a student's ability to cut hair, do a perm or apply a style.
- Apply a reasonable standard to all schools (including non-accredited) for testing and pass rates.

As shown in *Appendix A* our analysis also revealed how students, and the institutions they attend, assess the effectiveness of schools in training students for a career:

- About 50 percent of those students responding to the question, “How best to measure school performance,” said licensing exam pass rates were the best indicators of success, while about 13 percent preferred the student survey.
- The same criterion, or pass rate, was the overwhelming choice (36 percent) among representatives of schools responding to our surveys, with the student survey (6 percent) and “first pass rate” (6 percent) a distant second.
- Some 80 percent of schools provide handouts to students, and others, on graduation rates.

How well do schools perform in providing instruction and training to ensure their students stay on track toward licensure? Our surveys showed:

- Cosmetology students perform, on average, far better on the practical exam than the written one. Within the past four years, pass rates on the practical exam ranged between 90 and 97 percent (with only one exception being the summer of 2010, when pass rates dipped into the high 80s). Pass rates during that same four-year span on the written exam were consistently between 60 and 70 percent.
- The same trends were identifiable among barber students, with high pass rates (between 80 and 100 percent) on the practical exam, but far lower scores (between 35 and 55 percent) on the written portion of the exam process.

The tendency of students to stick with a course of study - or to abandon it for another course somewhere else - may also be a reliable indicator of how well schools are performing:

- Among barber students, the segment changing schools most often (33 percent) are hair weaving specialists, with barber technicians (14 percent) and instructors (13 percent) well behind. Interestingly, only 7 percent of Class A barbers (by far the most populous category of students) moved among schools.
- Among cosmetology students, the greatest percentage moving between schools occurred in esthetician instruction (14 percent). As with barbers, the largest proportion of cosmetology students, or operators, had a transfer rate of only 8 percent.

Our assessment of student and school performances also revealed some notable disparities in the success rate of those taking exams in various languages:

- Barber and cosmetology students who tested in English passed the practical examination 94 percent of the time - but only 61 percent passed the written. Similar pass rates were noted among students testing in Spanish (95 percent for practical, 63 percent for written). Students taking exams in Vietnamese had a higher pass rate on the written exam (75 percent pass rate), while practical exam test scores were similar (92 percent) to those for English and Spanish.
- If only pass rates for students taking the examinations for the first time are considered, those testing in all three languages scored almost equally well on the practical (Spanish – 96 percent, English – 94 percent, Vietnamese – 92 percent). But with the written exam, those testing in Vietnamese did best (81 percent pass rate), while those taking the exam in Spanish (72 percent) and English (70 percent) performed less successfully.

The lowest pass rates on written exams occurred among students training to become instructors:

- In English, students training to become manicurist instructors had an average pass rate of 23 percent, and those working toward being a barber instructor were not far behind (26 percent pass rate). The first time pass rates were even lower for these two categories: manicurist instructor (11 percent), with an average test score of 53, and barber instructor (23 percent), with an average score of 58.
- For students testing in Vietnamese on the written exam, the pass rate was 14 percent for cosmetology operator instructor and 20 percent for esthetician instructor. For those students testing for the first time, rates were even lower: 11 percent and 12 percent, respectively.
- Rates were lowest on Spanish written tests for these instruction categories: cosmetology shampooing, 16 percent; and cosmetology operator instructor, 12 percent.



Section Five: Options and Recommendations

Options and Recommendations

Having completed industry and licensee surveys, conducted brainstorming sessions, and researched states' and accrediting organizations' tuition refund policies, and benchmarked Texas' school performance relative to other NACCAS accredited schools, the Department concludes our assessment of this data with our recommendations and proposed courses of action regarding tuition payment reporting, tuition refunds and performance measures:

Tuition Refund Options and Recommendations:

TDLR proposes three options for consideration by the 83rd Legislature. These options, in order of preference, are intended to improve the current tuition refund policy.

Option 1 (Adopt Texas Workforce Commission Refund Policy): Amend Chapters 1601 and 1602 of the Texas Occupations Code to adopt TWC's simplified refund policy which is used for many other proprietary occupational schools in Texas, based upon the student's pro-rata completion up to 75% of the course.

Option 2 (No Change): No change to tuition refund requirements in Chapters 1601 or 1602 of the Texas Occupations Code.

Option 3 (Eliminate TDLR Regulation of Refund Policies): Amend Chapters 1601 and 1602 to eliminate TDLR's regulation of tuition refund policies and to affirm that the resolution of complaints relating to tuition refunds is a contractual dispute subject to existing contract law. Under this option, if a student and school disagree about whether a tuition refund is due, the matter must be litigated in court on the basis of contract law and the actual terms of the contract between the parties.

The Department also proposes the following secondary recommendations, to be implemented no matter which of the proposed options is elected. These recommendations are intended to clarify and improve the tuition refund policy, as well as foster consistent and minimum standards for all private barber and cosmetology schools, both those that are already accredited and those that are not.

For the Legislature: Statutory Changes

1. TDLR recommends removing the requirement from the law that the executive director determine and verify if a student's tuition has been paid in full. This requirement, applicable solely to cosmetology students, is inconsistent, as private barber schools are not required to report similar tuition disputes to TDLR.
2. Define the following key terms:
 - ***Period of Enrollment*** defined as the first date of attendance through the effective date of termination.
 - ***Scheduled Hours*** defined as the hours per day the student is to attend a program per the enrollment agreement.
 - ***Outstanding Tuition*** defined as total unearned tuition and fees subject to refund under Texas Occupations Code, §§1602.458 and 1601.563.

3. Require the tuition refund policy for *all* private barber and cosmetology schools to meet the minimum standards set by an accreditation agency recognized by the U.S. Department of Education.
4. Require each school to provide a plain language written explanation of the tuition refund policy including examples of the calculation, at the time of application and upon request by a prospective or current student.
5. Require enrollment contracts to state the scheduled hours per week, month, quarter, semester, or term for purposes of calculating the student tuition refund.

For TDLR: Rule Changes or Possible Process Improvement

1. Ensure upon school inspection that refund policy requirements are published in the school's catalogue and a description is included in the enrollment contract.¹⁴
2. Ensure that schools are furnishing each prospective student with the refund policy.¹⁵
3. Develop online calculator to assist students in computing student tuition refund.
4. Develop refund policy template language for schools to incorporate in enrollment contracts, policies, and other information.

Recommendations for Improving School Performance

TDLR proposes the following recommendations to improve quality of instruction and accountability; and to ensure performance objectives meet with minimum industry standards for proprietary cosmetology and barber schools.

For the Legislature or TDLR (as applicable): Statutory Changes, Rule Changes, or Possible Process Improvements

1. Require a systematic review of examination materials to ensure that the goal of testing is evaluating the student's performance of the practice of barbering or cosmetology. The review should include consideration of the current emphasis placed on student's knowledge of medical terminology.
2. Ensure accredited schools provide, upon the Department's request, performance data reports already required to be sent to the school's accrediting organization.
3. Coordinate with barber and cosmetology school accreditation organizations to create minimum standards of operation and to facilitate data collection from all schools.
4. Identify low performing areas in instructor examinations and develop targeted best practices or curriculum changes, to improve performance in these areas.

¹⁴ TEX. OCC. CODE §§ 1602.451(a)(9) and 1601.563(c).

¹⁵ TEX. OCC. CODE §§ 1602.452(3) and 1601.556(3).

Appendices

APPENDIX A
**Barber & Cosmetology Refund
Study Data**

TDLR 2012

Web Survey Questions

Student & Licensee Summary

SCHOOL	Were you given a copy of the school refund policy?	TYPE				COS LIC		COS STU		TOTAL %	TOTAL CNT
		BAR LIC	VALUES	BAR STU		LIC		STU			
		%	CNT	%	CNT	%	CNT	%	CNT		
Private School	No	65%	42	57%	8	69%	335	57%	80	66%	465
	Yes	35%	23	43%	6	31%	151	43%	60	34%	240
SCHOOL	Did the school explain the refund policy to you?	TYPE				COS LIC		COS STU		TOTAL %	TOTAL CNT
		BAR LIC	VALUES	BAR STU		LIC		STU			
		%	CNT	%	CNT	%	CNT	%	CNT		
Private School	No	69%	45	79%	11	73%	356	70%	98	72%	510
	Yes	31%	20	21%	3	27%	129	30%	42	28%	194
SCHOOL	Did you receive a copy of the refund calculation sheet?	TYPE				COS LIC		COS STU		TOTAL %	TOTAL CNT
		BAR LIC	VALUES	BAR STU		LIC		STU			
		%	CNT	%	CNT	%	CNT	%	CNT		
Private School	No	85%	55	86%	12	84%	405	69%	97	81%	569
	Yes	15%	10	14%	2	16%	77	31%	43	19%	132
SCHOOL	Have you needed to obtain a refund from a barber or cosmetology school?	TYPE				COS LIC		COS STU		TOTAL %	TOTAL CNT
		BAR LIC	VALUES	BAR STU		LIC		STU			
		%	CNT	%	CNT	%	CNT	%	CNT		
Private School	No	88%	57	43%	6	85%	408	61%	85	80%	556
	Yes	12%	8	57%	8	15%	70	39%	54	20%	140
SCHOOL	Did you have to file a complaint with TDLR to obtain your refund?	TYPE				COS LIC		COS STU		TOTAL %	TOTAL CNT
		BAR LIC	VALUES	BAR STU		LIC		STU			
		%	CNT	%	CNT	%	CNT	%	CNT		
Private School	No	75%	6	71%	5	88%	65	69%	37	79%	113
	Yes	25%	2	29%	2	12%	9	31%	17	21%	30
SCHOOL	In your opinion, was your refund processed by the school correctly and timely?	TYPE				COS LIC		COS STU		TOTAL %	TOTAL CNT
		BAR LIC	VALUES	BAR STU		LIC		STU			
		%	CNT	%	CNT	%	CNT	%	CNT		
Private School	No	100%	8	80%	4	86%	60	91%	48	88%	120
	Yes	0%		20%	1	14%	10	9%	5	12%	16
SCHOOL	Does the current refund process work?	TYPE				COS LIC		COS STU		TOTAL %	TOTAL CNT
		BAR LIC	VALUES	BAR STU		LIC		STU			
		%	CNT	%	CNT	%	CNT	%	CNT		
Private School	No	75%	6	100%	4	93%	55	94%	45	92%	110
	Yes	25%	2	0%		7%	4	6%	3	8%	9

Web Survey

Student & Licensee Refund Comments

REFUND COMMENT	CNT	%
No Refund Policy Explanation, Plain Talk For Explanation	38	46%
Student Are Wanting Their Money Back Faster	24	29%
Student Should Get All Of The Money Back	9	11%
More TDLR Involvement	5	6%
Refund Shall Be Given Base How Hours Attended	4	5%
Schools Fined If Monies Are Not Given Back To Student In A Timely Manner	1	1%
School Closing	1	1%
Pay After Graduation	1	1%
Grand Total	83	100%

All Student & Licensee Recommendations on How to Measure School Performance

SCHOOL PERFORMANCE COMMENT	CNT	%
N/A	614	53%
Pass Rate	266	23%
Student Survey	68	6%
Job Retention	61	5%
Curriculum	41	4%
Re-Test Teacher	29	3%
1st Pass Rate	22	2%
Drop Rate	22	2%
Inspections	20	2%
Teacher Attendance	6	1%
Grand Total	1,149	100%

Student & Licensee Recommendations on How to Measure School Performance

SCHOOL PERFORMANCE COMMENT	CNT	%
Pass Rate	266	50%
Student Survey	68	13%
Job Retention	61	11%
Curriculum	41	8%
Re-Test Teacher	29	5%
Drop Rate	22	4%
1st Pass Rate	22	4%
Inspections	20	4%
Teacher Attendance	6	1%
Grand Total	535	100%

Student & Licensee Web Survey Demographics

SCHOOL	TYPE	CNT	%
Community College	Bar Lic	8	1%
	Bar Stu	6	1%
	Cos Lic	159	14%
	Cos Stu	41	4%
Community College Total		214	19%
High School	Bar Lic	15	1%
	Bar Stu	1	0%
	Cos Lic	102	9%
	Cos Stu	29	3%
High School Total		147	13%
Out of State School	Bar Lic	5	0%
	Cos Lic	49	4%
	Cos Stu	2	0%
Out of State School Total		56	5%
Private School	Bar Lic	66	6%
	Bar Stu	14	1%
	Cos Lic	489	43%
	Cos Stu	141	12%
Private School Total		710	62%
	Cos Lic	2	0%
	School	16	1%
	(blank)	4	0%
Total		22	2%
Grand Total		1,149	100%

Web Survey Questions School Summary 1

	BAR		COS		TOTAL CNT	TOTAL %
Do you provide students with a copy of the school refund policy?	CNT	%	CNT	%		
No	3	20%	22	21%	25	20%
Yes	12	80%	85	79%	97	80%
	TYPE BAR	VALUES	COS		TOTAL CNT	TOTAL %
Do you explain the refund policy to students?	CNT	%	CNT	%		
No	3	20%	28	27%	31	26%
Yes	12	80%	76	73%	88	74%
	TYPE BAR	VALUES	COS		TOTAL CNT	TOTAL %
Have you ever refunded a student any part of their tuition?	CNT	%	CNT	%		
No	4	29%	30	30%	34	30%
Yes	10	71%	70	70%	80	70%
	TYPE BAR	VALUES	COS		TOTAL CNT	TOTAL %
Does the current refund process work?	CNT	%	CNT	%		
No	4	31%	34	36%	38	35%
Yes	9	69%	61	64%	70	65%
	TYPE BAR	VALUES	COS		TOTAL CNT	TOTAL %
Do you provide handouts on graduation rates or on tuition refund policy?	CNT	%	CNT	%		
No	3	23%	18	21%	21	21%
Yes	10	77%	68	79%	78	79%

Web Survey Questions School Summary 2

	TYPE BAR	VALUES	COS		TOTAL CNT	TOTAL %
Does your school offer financial aid?	CNT	%	CNT	%		
No	7	54%	13	15%	20	20%
Yes	6	46%	73	85%	79	80%
Do students on financial aid have different tuition schedules?	TYPE BAR	VALUES	COS		TOTAL CNT	TOTAL %
	CNT	%	CNT	%		
No	10	83%	64	77%	74	78%
Yes	2	17%	19	23%	21	22%
If a refund is paid back to the Dept of Education, is the student in debt to the school for the amount refunded?	TYPE BAR	VALUES	COS		TOTAL CNT	TOTAL %
	CNT	%	CNT	%		
No	6	50%	38	49%	44	49%
Yes	6	50%	39	51%	45	51%
Does the change to scheduled hours from clocked hours improve the refund process? If, No what would would you change?	TYPE BAR	VALUES	COS		TOTAL CNT	TOTAL %
	CNT	%	CNT	%		
No	3	25%	18	24%	21	24%
Yes	9	75%	56	76%	65	76%

Web Survey School Recommendations on How to Measure School Performance

SCHOOL PERFORMANCE	CNT	%
Pass Rate	64	36%
Student Survey	11	6%
1st Pass Rate	10	6%
Grad & Pass Rate	9	5%
Curriculum	8	5%
Grad & Pass Rate, Jobs	8	5%
Pass Rate, Jobs	7	4%
Teacher Perform	7	4%
Grad Rate	7	4%
Jobs	7	4%
Re-Test Teacher	5	3%
Teacher Perform	5	3%
Grad & Pass Rate, Drops	3	2%
Inspections	3	2%
Pass Rate, Student Survey	2	1%
Pass Rate, Drops	2	1%
Inspections, Pass Rate,	2	1%
Drops	2	1%

Web Survey School Demographics

TYPE	VALUES CNT	%
Bar	36	12%
Cos	274	88%
Grand Total	310	100%

What kind of school do you represent?	VALUES CNT	%
Bar CC	5	2%
Bar HS	1	0%
Bar Private	19	8%
Cos CC	60	25%
Cos HS	34	14%
Cos Private	120	50%
Grand Total	239	100%

Web Survey School Respondent Demographics

	VALUES CNT	INSTRUCTOR %
What kind of school do you represent?	INSTRUCTOR	INSTRUCTOR
Bar Private	6	10%
Cos CC	1	2%
Cos Private	56	89%
Grand Total	63	100%

	VALUES CNT	OWNER %
What kind of school do you represent?	OWNER	OWNER
Bar Private	6	17%
Cos Private	30	83%
Grand Total	36	100%

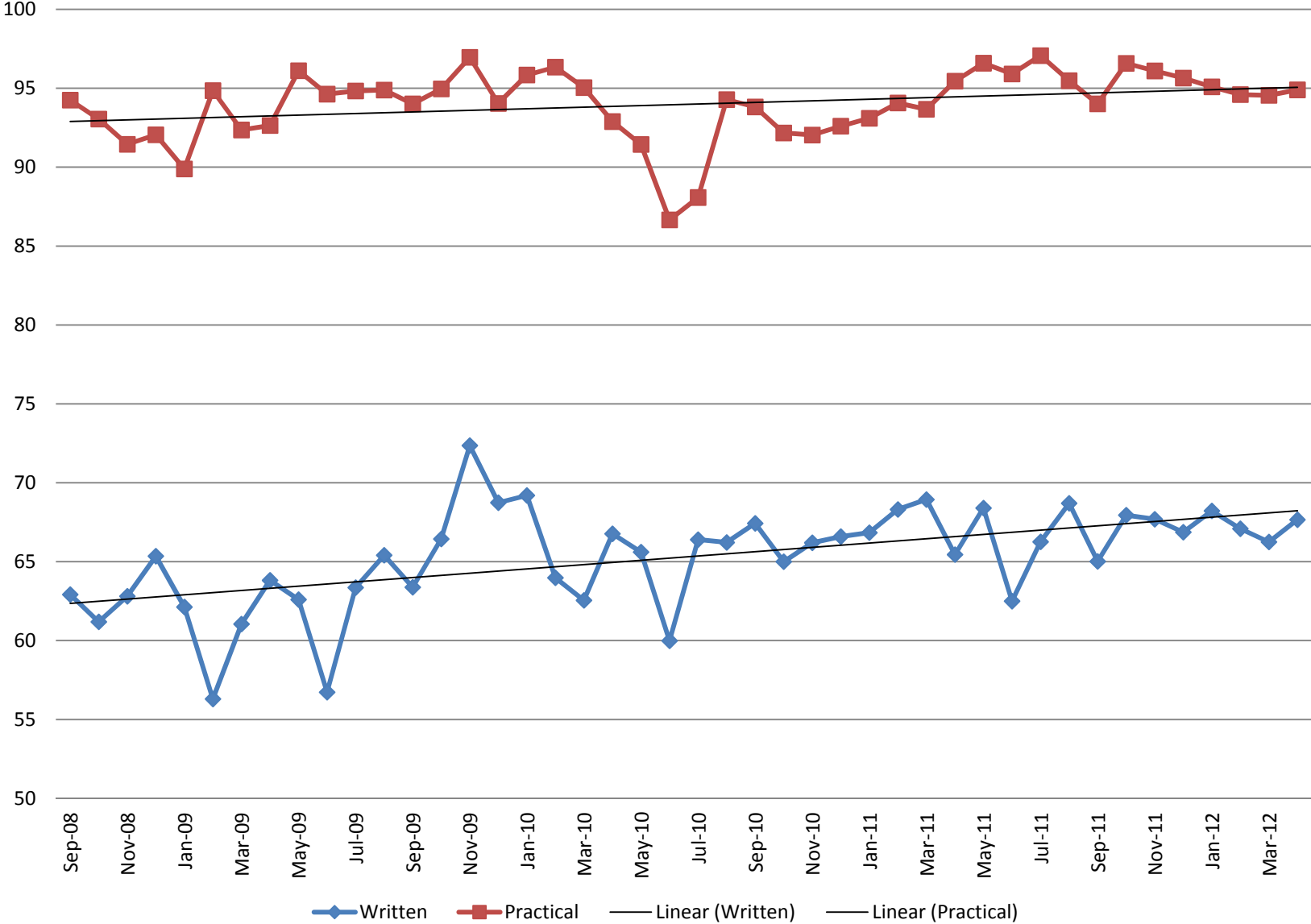
	VALUES CNT	ADMIN %
What kind of school do you represent?	ADMIN	ADMIN
Bar Private	10	19%
Cos Private	43	81%
Grand Total	53	100%

Web Survey School Tuition Demographics

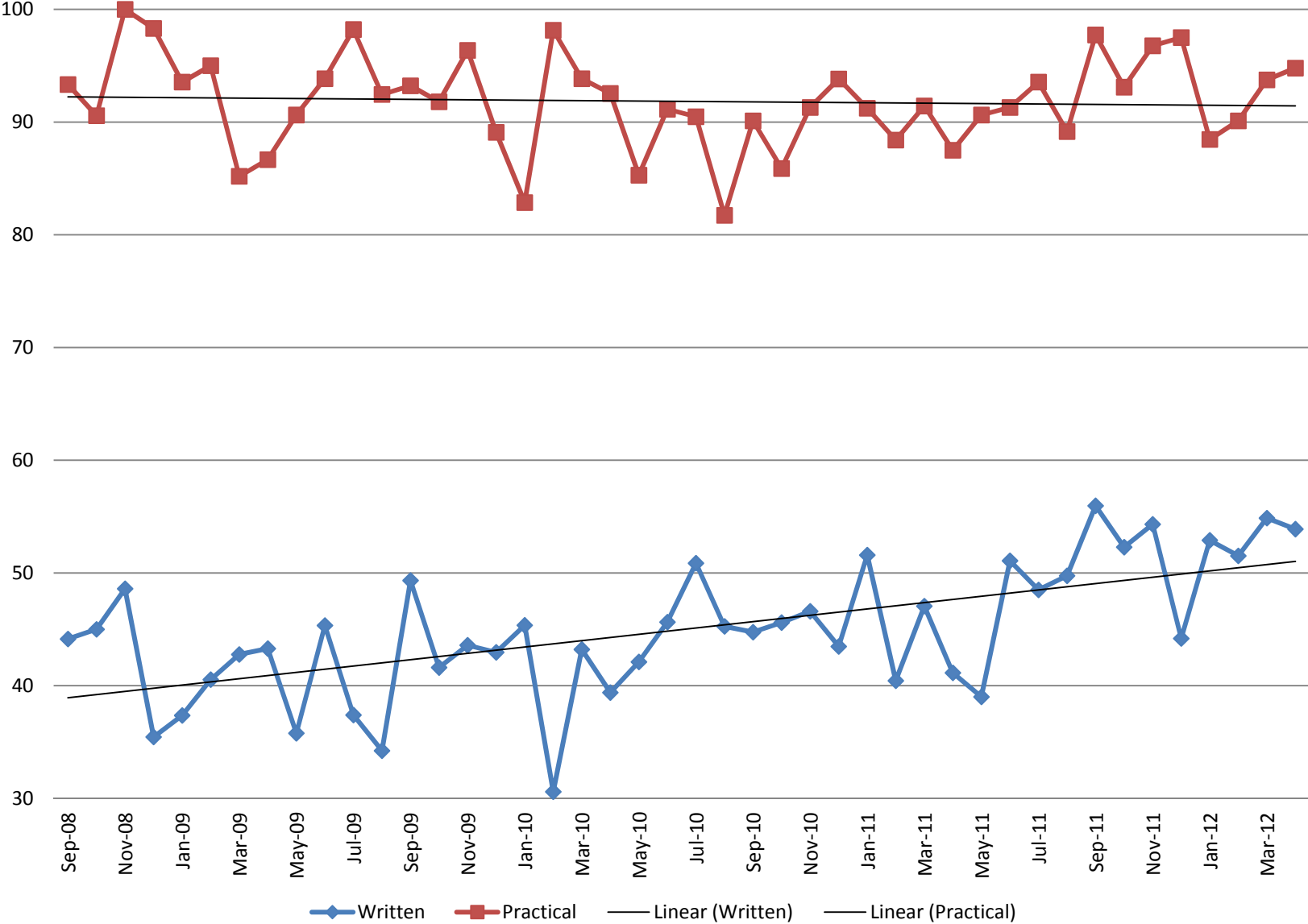
BAR TUITION	VALUES CNT	%
10,001 - 20,000	14	45%
5,001 - 10,000	10	32%
0 - 5,000	7	23%
Grand Total	31	100%

COS TUITION	VALUES CNT	%
10,001 - 20,000	96	37%
5,001 - 10,000	79	31%
0 - 5,000	73	28%
20,001 or greater	9	4%
Grand Total	257	100%

Cosmetology Pass Rates



Barber Pass Rates



Percent of Students that Change Schools

STUDENT TYPE	SCHOOLS CHANGE
BAR HAIR BRAIDNG SPL	6.10%
BAR HAIR WEAVING SPL	33.33%
BARBER INSTRUCTOR	12.93%
BARBER MANICURIST	4.17%
BARBER REFRESHER	7.50%
BARBER TECHNICIAN	14.29%
CLASS A BARBER	7.38%
BAR STUDENT Total	7.46%

STUDENT TYPE	SCHOOLS CHANGE
COS ESTHETICIAN	7.09%
COS ESTHETICIAN INST	13.54%
COS HAIR BRAIDG	6.11%
COS HAIR WEAVING	4.44%
COS MA INSTRUTR	11.32%
COS MANIC/ESTH INSTR	0.00%
COS MANICURE/ESTH	0.00%
COS MANICURIST	4.54%
COS OP INSTRUTR	9.06%
COS OPERATOR	7.64%
COS SHAMPOO SPL	3.28%
COS WIG SPECTLY	3.85%
COS STUDENT TOTAL	7.25%

Spanish Written Tests Pass Rates and Average Score by License Type

TYPE	VALUES	PASS	AVG	
	F	P	F	P
Barber Class A Written - S	64%	36%	57	75
Barber Manicurist Written - S	33%	67%	64	75
COS Manicurist Instructor Written - S	33%	67%	62	78
COS Esthetician Instructor Written - S	33%	67%	68	72
COS Operator Instructor Written - S	83%	17%	58	72
Cosmo Esthetician Written - S	55%	45%	60	76
Cosmo Manicurist Written - S	43%	57%	62	76
Cosmo Operator Written - S	31%	69%	60	79
Cosmo Shampoo Written - S	84%	16%	58	73
Barber Instructor Written - S	0%	100%		75
Grand Total	37%	63%	60	79

Spanish Practical Tests Pass Rates and Average Score by License Type

TYPE	VALUES F	PASS P	AVG F	P
Barber Class A Practical - S	7%	93%	63	87
Barber Manicurist Practical - S	0%	100%		97
COS Manicurist Instructor Practical - S	0%	100%		96
COS Esthetician Instructor Practical - S	0%	100%		95
COS Operator Instructor Practical - S	6%	94%	28	87
Cosmo Esthetician Practical - S	5%	95%	65	85
Cosmo Manicurist Practical - S	9%	91%	54	82
Cosmo Operator Practical - S	4%	96%	56	84
Grand Total	5%	95%	55	84

Vietnamese Written Tests Pass Rates and Average Score by License Type

TYPE	VALUES	PASS	AVG	
	F	P	F	P
COS Manicurist Instructor Written - V	77%	23%	56	71
COS Esthetician Instructor Written - V	80%	20%	56	71
COS Operator Instructor Written - V	86%	14%	59	73
Cosmo Esthetician Written - V	18%	82%	60	77
Cosmo Manicurist Written - V	27%	73%	59	79
Cosmo Operator Written - V	25%	75%	62	77
Grand Total	25%	75%	60	78

Vietnamese Practical Tests Pass Rates and Average Score by License Type

TYPE	VALUES F	PASS P	AVG F	P
COS Operator Instructor Practical - V	100%	0%	60	
Cosmo Esthetician Practical - V	3%	97%	56	87
Cosmo Manicurist Practical - V	10%	90%	61	82
Cosmo Operator Practical - V	6%	94%	62	81
Grand Total	8%	92%	61	83

English Written Tests Pass Rates and Average Score by License Type

TYPE	VALUES F	PASS P	AVG F	P
BAR Hair Weaving Written - E	33%	67%	49	74
Barber Class A Written - E	54%	46%	59	78
Barber Manicurist Written - E	41%	59%	63	77
Barber Technician Written - E	20%	80%	65	85
COS Manicurist Instructor Written - E	77%	23%	55	75
COS Esthetician Instructor Written - E	50%	50%	55	77
COS Operator Instructor Written - E	65%	35%	58	75
Cosmo Esthetician Written - E	24%	76%	60	80
Cosmo Hair Weaving Written - E	42%	58%	59	75
Cosmo Manicurist Written - E	40%	60%	59	78
Cosmo Operator Written - E	36%	64%	62	78
Cosmo Shampoo Written - E	71%	29%	51	75
Cosmo Wig Written - E	38%	62%	65	76
Barber Instructor Written - E	74%	26%	59	74
Grand Total	39%	61%	61	78

English Practical Tests Pass Rates and Average Score by License Type

TYPE	VALUES F	PASS P	AVG F	P
BAR Hair Weaving Practical - E	0%	100%		87
Barber Class A Practical - E	8%	92%	57	85
Barber Manicurist Practical - E	11%	89%	63	90
Barber Technician Practical - E	0%	100%		93
COS Manicurist Instructor Practical - E	20%	80%	50	86
COS Esthetician Instructor Practical - E	13%	87%	50	89
COS Operator Instructor Practical - E	14%	86%	55	85
Cosmo Esthetician Practical - E	2%	98%	54	89
Cosmo Hair Weaving Practical - E	6%	94%	65	88
Cosmo Manicurist Practical - E	8%	92%	60	83
Cosmo Operator Practical - E	6%	94%	59	83
Cosmo Shampoo Practical - E	17%	83%	56	85
Cosmo Wig Practical - E	0%	100%		90
Barber Instructor Practical - E	28%	72%	58	86
Grand Total	6%	94%	58	84

Spanish Written Tests 1st Test Pass Rates and Average Score by License Type

TYPE	VALUES F	PASS P	AVG F	P
Barber Class A Written - S	52%	48%	56	76
Barber Manicurist Written - S	50%	50%	64	78
COS Manicurist Instructor Written - S	50%	50%	62	80
COS Esthetician Instructor Written - S	50%	50%	68	72
COS Operator Instructor Written - S	85%	15%	56	73
Cosmo Esthetician Written - S	45%	55%	58	77
Cosmo Manicurist Written - S	38%	63%	62	76
Cosmo Operator Written - S	24%	76%	60	80
Cosmo Shampoo Written - S	91%	9%	56	70
Barber Instructor Written - S	0%	100%		75
Grand Total	28%	72%	59	80

Spanish Practical Tests 1st Test Pass Rates and Average Score by License Type

TYPE	VALUES	PASS	AVG	
	F	P	F	P
Barber Class A Practical - S	8%	92%	63	87
Barber Manicurist Practical - S	0%	100%		97
COS Manicurist Instructor Practical - S	0%	100%		96
COS Esthetician Instructor Practical - S	0%	100%		95
COS Operator Instructor Practical - S	7%	93%	28	87
Cosmo Esthetician Practical - S	5%	95%	65	85
Cosmo Manicurist Practical - S	7%	93%	53	83
Cosmo Operator Practical - S	4%	96%	57	84
Grand Total	4%	96%	56	84

Vietnamese Written Tests 1st Test Pass Rates and Average Score by License Type

TYPE	VALUES F	PASS P	AVG F	P
COS Manicurist Instructor Written - V	88%	13%	53	70
COS Esthetician Instructor Written - V	71%	29%	50	70
COS Operator Instructor Written - V	89%	11%	56	73
Cosmo Esthetician Written - V	15%	85%	60	78
Cosmo Manicurist Written - V	20%	80%	58	80
Cosmo Operator Written - V	20%	80%	61	78
Grand Total	19%	81%	59	79

Vietnamese Practical Tests 1st Test Pass Rates and Average Score by License Type

TYPE	VALUES F	PASS P	AVG F	P
COS Operator Instructor Practical - V	100%	0%	60	
Cosmo Esthetician Practical - V	3%	97%	55	87
Cosmo Manicurist Practical - V	9%	91%	61	83
Cosmo Operator Practical - V	5%	95%	62	81
Grand Total	8%	92%	61	84

English Written Tests 1st Test Pass Rates and Average Score by License Type

TYPE	VALUES F	PASS P	AVG F	P
BAR Hair Weaving Written - E	20%	80%	50	74
Barber Class A Written - E	46%	54%	59	79
Barber Instructor Written - E	77%	23%	58	74
Barber Manicurist Written - E	45%	55%	62	79
Barber Technician Written - E	20%	80%	65	85
COS Manicurist Instructor Written - E	89%	11%	53	74
COS Esthetician Instructor Written - E	43%	57%	55	78
COS Operator Instructor Written - E	62%	38%	57	76
Cosmo Esthetician Written - E	18%	82%	60	80
Cosmo Hair Weaving Written - E	39%	61%	57	76
Cosmo Manicurist Written - E	33%	67%	58	79
Cosmo Operator Written - E	28%	72%	62	79
Cosmo Shampoo Written - E	68%	33%	52	75
Cosmo Wig Written - E	30%	70%	63	77
Grand Total	30%	70%	61	79

English Practical Tests 1st Test Pass Rates and Average Score by License Type

TYPE	VALUES	PASS	AVG	
	F	P	F	P
BAR Hair Weaving Practical - E	0%	100%		87
Barber Class A Practical - E	8%	92%	57	85
Barber Manicurist Practical - E	12%	88%	63	90
Barber Technician Practical - E	0%	100%		93
COS Manicurist Instructor Practical - E	17%	83%	52	86
COS Esthetician Instructor Practical - E	7%	93%	46	89
COS Operator Instructor Practical - E	13%	87%	54	85
Cosmo Esthetician Practical - E	2%	98%	54	89
Cosmo Hair Weaving Practical - E	6%	94%	65	88
Cosmo Manicurist Practical - E	7%	93%	59	83
Cosmo Operator Practical - E	6%	94%	59	83
Cosmo Shampoo Practical - E	19%	81%	56	85
Cosmo Wig Practical - E	0%	100%		90
Barber Instructor Practical - E	26%	74%	58	86
Grand Total	6%	94%	58	84

Students by Language Needing More than 4 Tests to Pass

TYPE	>4 TESTS	%	GRAND TOTAL
COS Operator Instructor Written - V	14	26%	53
COS Manicurist Instructor Written - V	1	13%	8
COS Operator Instructor Written - S	22	12%	179
COS Manicurist Instructor Written - E	2	11%	18
BAR Instructor Written - E	9	11%	83
COS Shampoo Written - S	2	9%	22
BAR Class A Written - S	10	7%	147
COS Operator Instructor Written - E	101	6%	1,589
COS Esthetician Instructor Written - E	5	6%	89
COS Esthetician Written - S	3	5%	65
BAR Class A Written - E	167	4%	3,903
COS Shampoo Written - E	1	3%	40
COS Manicurist Written - S	9	2%	368
COS Manicurist Written - E	53	2%	2,856
COS Operator Written - E	487	2%	28,760
COS Manicurist Written - V	162	2%	9,774
COS Operator Written - S	65	1%	4,802
COS Operator Written - V	25	1%	2,047
COS Esthetician Written - E	39	1%	4,344
COS Esthetician Written - V	20	1%	3,287
COS Operator Instructor Practical - E	2	0%	1,055
COS Manicurist Practical - V	8	0%	7,533
COS Manicurist Practical - E	2	0%	4,145
COS Operator Practical - E	1	0%	23,847
Grand Total	1,210	1%	114,672

Students by Language Needing More than 2 Tests to Pass

TYPE	>2 TESTS	%	GRAND TOTAL
COS Operator Instructor Written - V	20	38%	53
COS Manicurist Instructor Written - V	3	38%	8
COS Shampoo Written - S	8	36%	22
BAR Instructor Written - E	29	35%	83
COS Operator Instructor Written - S	62	35%	179
COS Esthetician Instructor Written - V	2	29%	7
BAR Class A Written - S	36	24%	147
COS Operator Instructor Written - E	375	24%	1,589
COS Manicurist Instructor Written - E	4	22%	18
BAR Class A Written - E	654	17%	3,903
COS Esthetician Written - S	10	15%	65
COS Shampoo Written - E	6	15%	40
COS Esthetician Instructor Written - E	12	13%	89
COS Hair Weaving Written - E	5	12%	41
BAR Manicurist Written - E	2	10%	20
COS Wig Written - E	1	10%	10
BAR Instructor Practical - E	4	10%	42
COS Manicurist Written - S	35	10%	368
COS Manicurist Instructor Practical - E	1	8%	12

TYPE	>2 TESTS	%	GRAND TOTAL
COS Operator Written - S	336	7%	4,802
COS Manicurist Written - V	606	6%	9,774
COS Operator Written - V	120	6%	2,047
COS Esthetician Written - E	200	5%	4,344
COS Esthetician Written - V	128	3%	3,827
COS Esthetician Instructor Practical - E	2	3%	68
COS Operator Instructor Practical - E	22	2%	1,055
COS Manicurist Practical - V	86	1%	7,533
COS Manicurist Practical - E	28	1%	4,145
COS Operator Practical - E	118	0%	23,847
COS Operator Practical - S	16	0%	3,289
COS Manicurist Practical - S	1	0%	222
BAR Class A Practical - E	11	0%	2,654
COS Esthetician Practical - V	7	0%	2,769
COS Operator Practical - V	2	0%	892
COS Esthetician Practical - E	4	0%	4,808
COS Manicurist Written - E	237	8%	2,856
COS Operator Written - E	2,185	8%	28,760

	>2 TESTS	%	GRAND TOTAL
Grand Total	5,378	5%	114,672

APPENDIX B

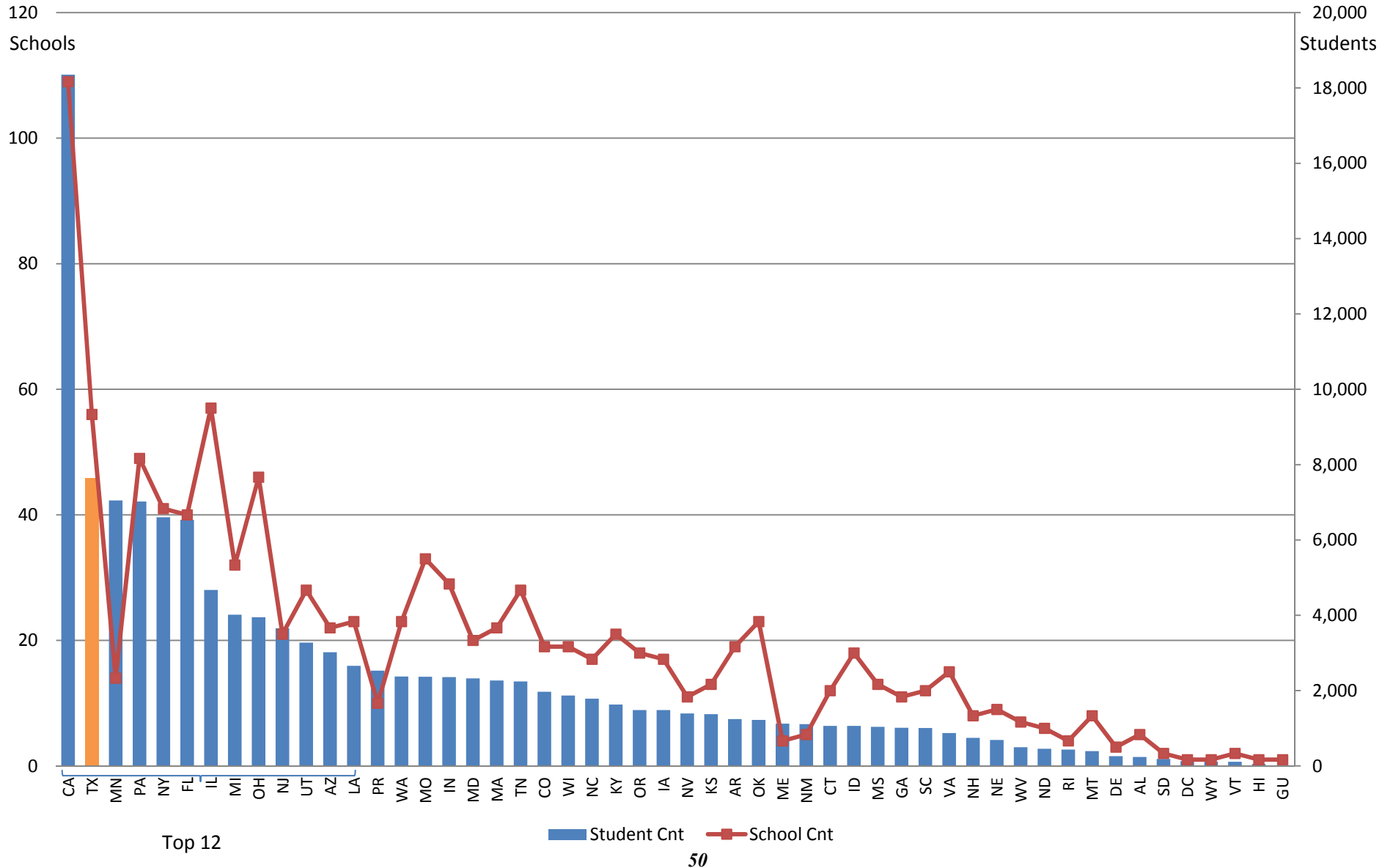
The National Accrediting Commission of Cosmetology Arts and Sciences Study Data

TDLR 2012

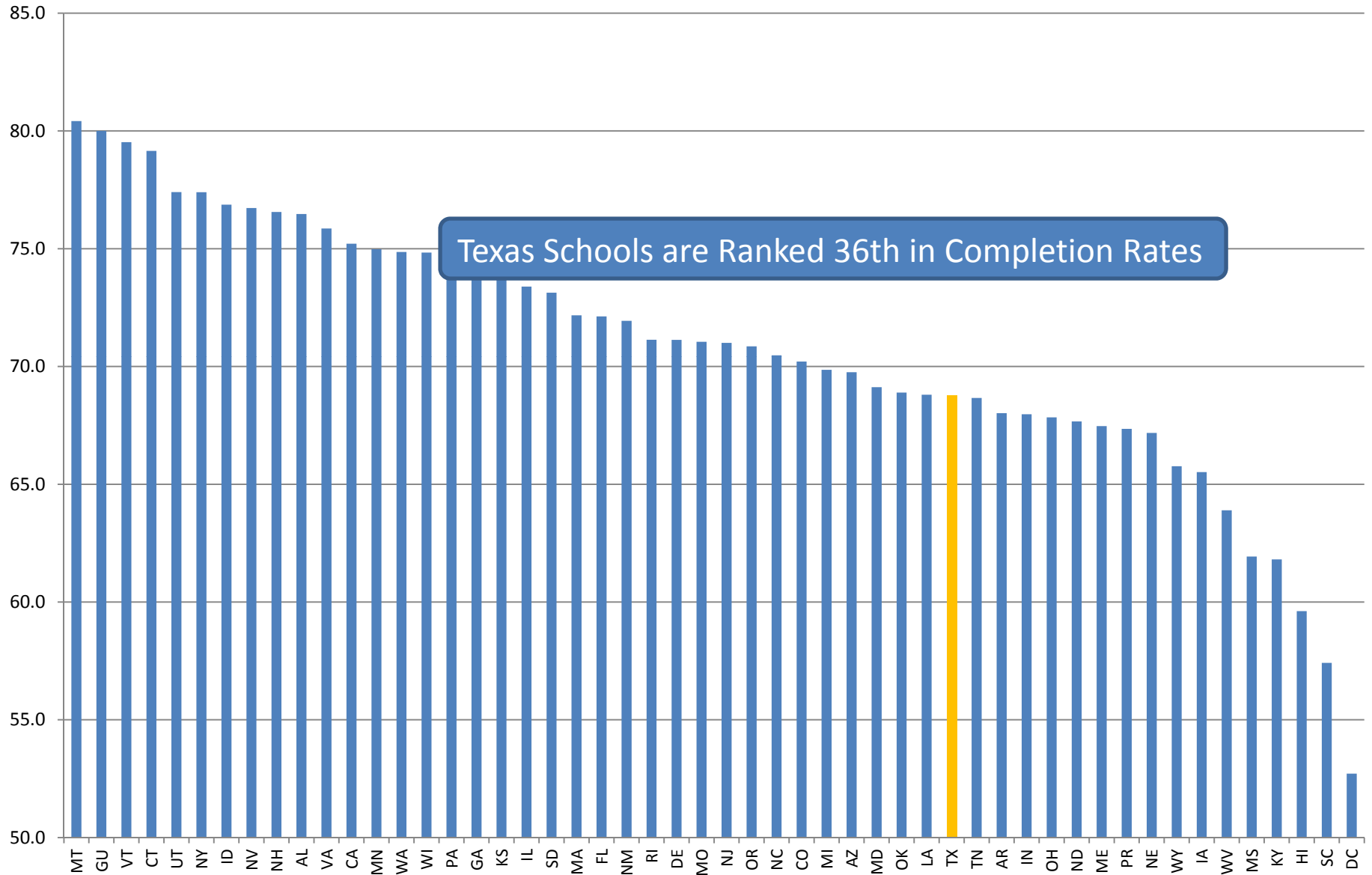
NACCAS

- The National Accrediting Commission of Cosmetology Arts and Sciences (NACCAS) is an accrediting commission that accredits cosmetology schools and beauty schools in the United States. It is considered an autonomous, independent accrediting agency.
- NACCAS is recognized by the U.S. Department of Education as a national agency for the institutional accreditation of postsecondary schools and departments of cosmetology arts and sciences, including specialized schools.
- It presently accredits approximately 1,500 institutions that serve over 120,000 students. These schools offer over twenty (20) courses and programs of study that fall under NACCAS' scope of accreditation.
- 105 of the 256 (41%) Texas Barber and Cosmetology Private Schools are NACCAS accredited.
- NACCAS data was used to benchmark against other states.

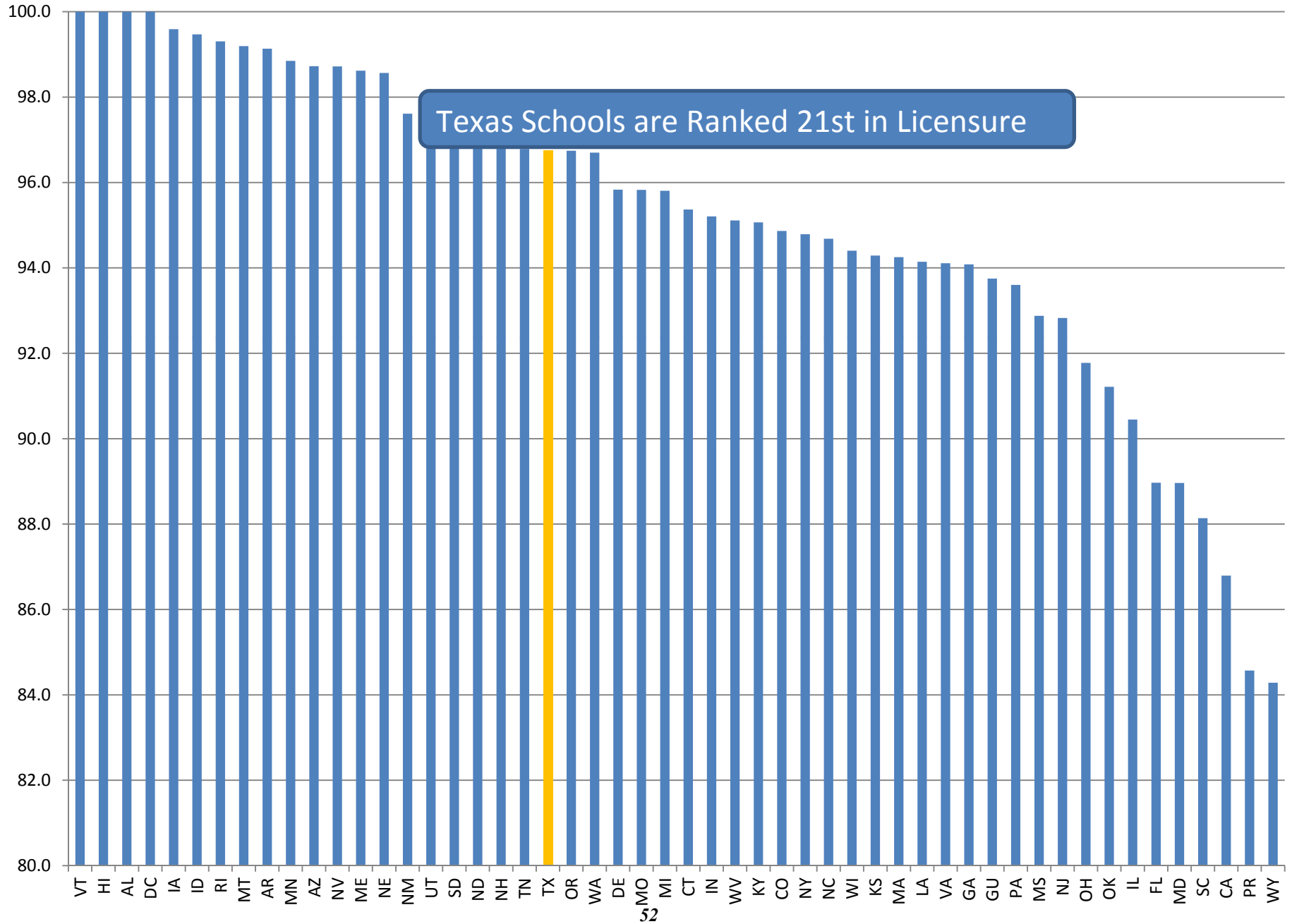
2010 Student & School Populations by State from NACCAS



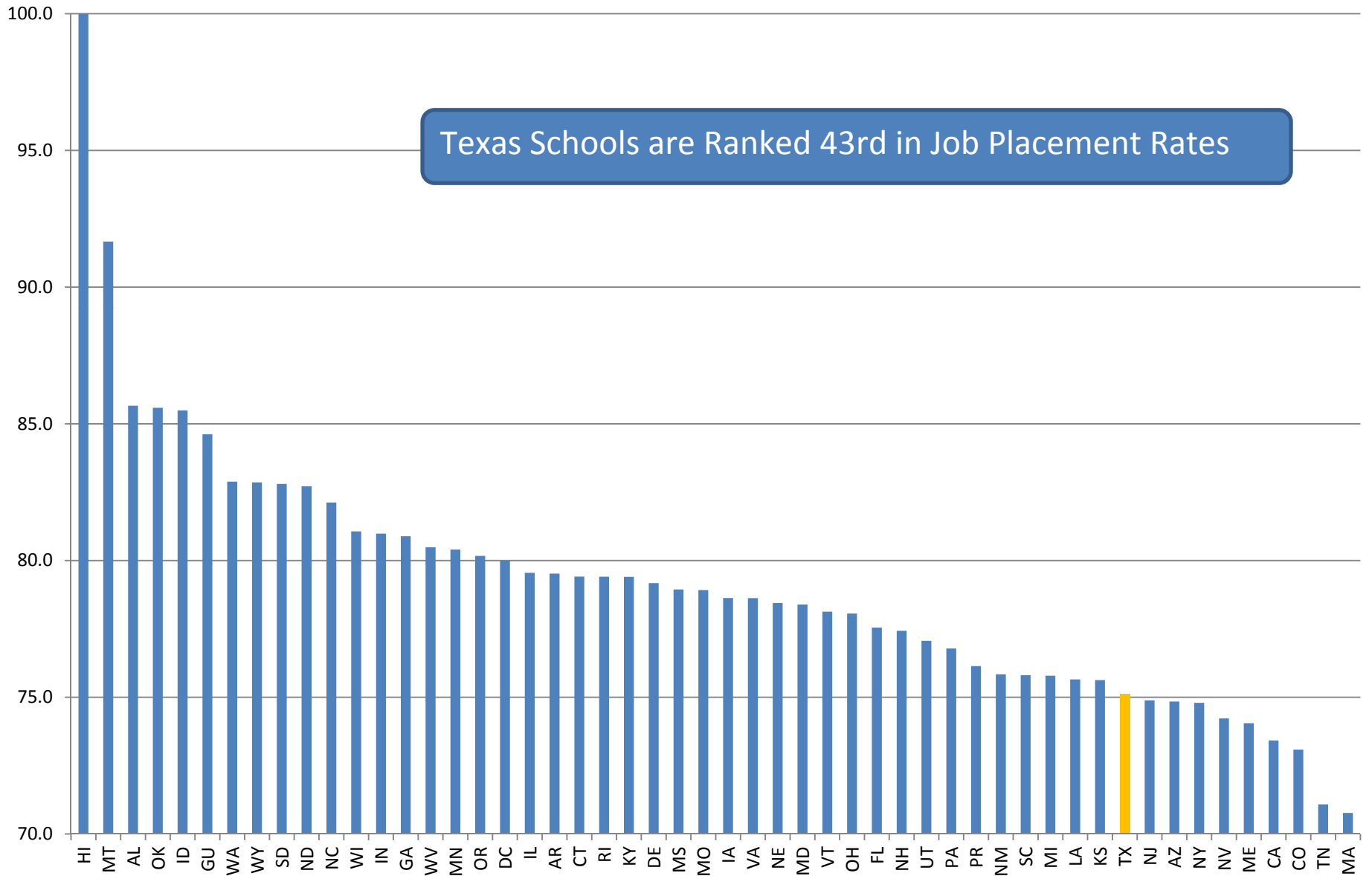
2010 Completion Rates



2010 Licensure Rates

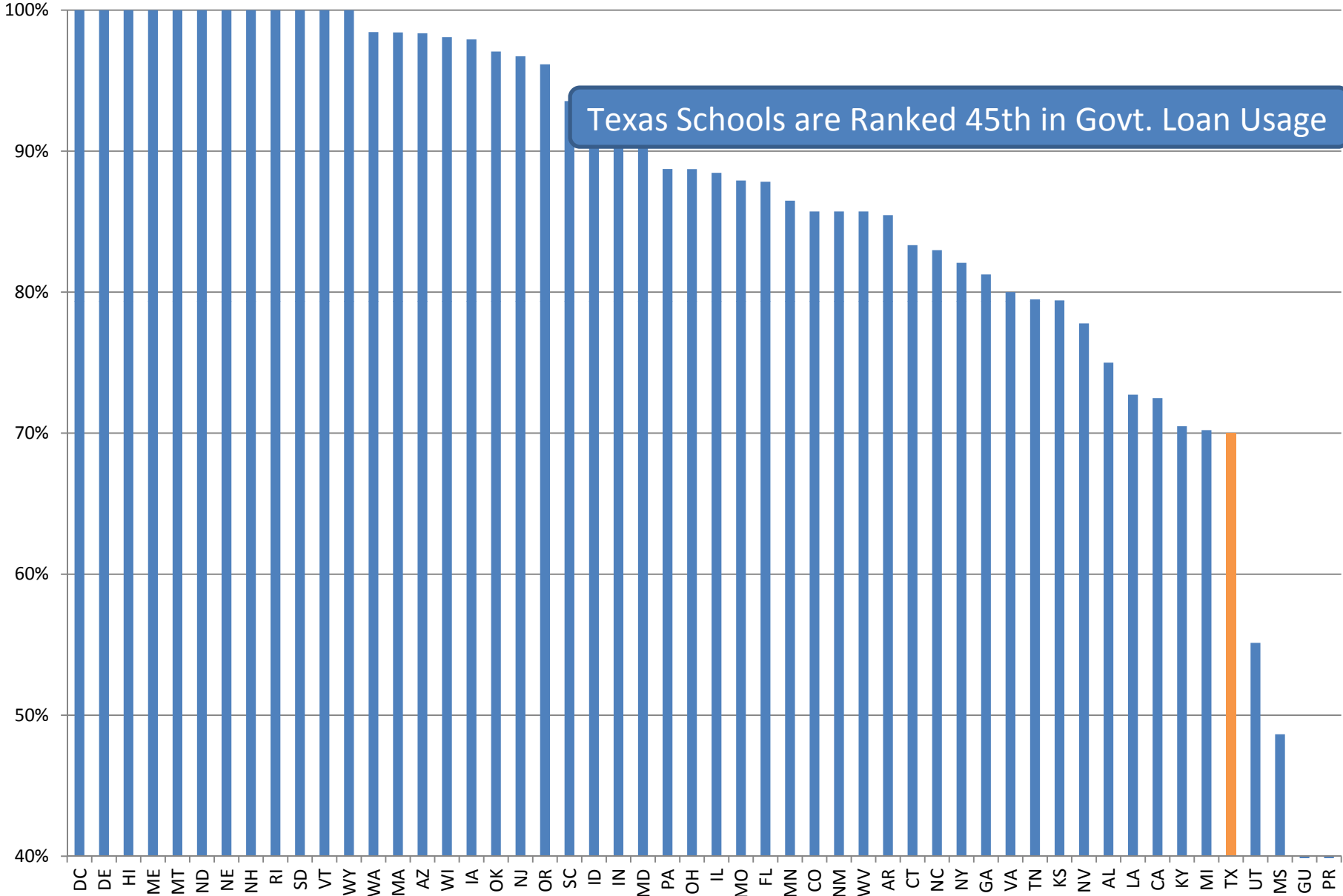


2010 Job Placement Rates



Texas Schools are Ranked 43rd in Job Placement Rates

% Loans



Texas Schools are Ranked 45th in Govt. Loan Usage

Texas Only

