

CALIFORNIA ENROLLMENT · PRO-RATA REFUNDS

California Enrollment Agreement + Refund Pack

The required elements of a CA-compliant enrollment agreement, a plain-English guide to the pro-rata refund rule for clock-hour programs, a fully worked refund example, and a blank worksheet you can use today.

PREPARED BY

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SCOPE

CA clock-hour beauty and barber programs

FOR

Admissions, bursar & compliance staff

In California, the enrollment agreement is a **regulated consumer contract**, and the refund rule for clock-hour programs is **pro-rata**: the student pays for the portion of the program they actually attended (up to the point where pro-rata no longer applies), and the school refunds the unearned balance. Get the agreement elements right at intake, and the refund math becomes mechanical. Get them wrong, and you expose yourself to disputes, BPPE findings, and STRF claims.

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Required elements of a CA enrollment agreement

Every clock-hour enrollment agreement should contain each of these. A missing element is a common BPPE finding.



Institution and program identity: approved school name, program name, and total clock hours (for example, Cosmetology 1,000 hours).



Itemized total charges: tuition, STRF (separate line), registration, kit and equipment, books, and any other fees, with the total cost of the program.



Program start and projected end date, and the scheduled hours per week.



Student's right to cancel and receive a full refund of charges paid (less any non-refundable items disclosed) within the cancellation window.



Pro-rata refund policy stated in full: the formula, what is and is not refundable, and the point at which pro-rata ends.



Notice concerning transferability of clock hours or credits to other institutions.



STRF disclosure statement in the mandated language, signed by the student.



Statement that the agreement, catalog, and SPFS were provided and that the student signed the SPFS before signing the agreement.



Signatures and dates of student (and guardian if a minor) and an authorized school official.



No pre-signature charges: confirmation that no money was collected before the agreement and disclosures were signed.

The CA pro-rata refund rule in plain English

For a clock-hour program, the refund is based on the **percentage of scheduled hours the student attended** before withdrawing:

- **Cancellation period:** a student who cancels within the school's stated cancellation window receives a refund of charges paid, less any properly disclosed non-refundable items.
- **Pro-rata period:** after the cancellation window, the student owes tuition for the *hours attended or scheduled* and is refunded the unearned portion of tuition.
- **Pro-rata ceiling:** once the student has passed the point the policy defines (for example, completed more than 60% of the scheduled hours), the school may retain the full tuition and no pro-rata refund is owed.
- **Non-tuition items** (registration fee, books, and equipment or kit already issued) are handled per the disclosed policy and are typically not pro-rated once provided.

$$\text{Tuition Earned} = \text{Total Tuition} \times \left(\frac{\text{Hours Scheduled to Withdrawal}}{\text{Total Program Hours}} \right)$$

$$\text{Refund Owed} = \text{Total Tuition} - \text{Tuition Earned} - \text{unpaid balance, minus disclosed non-refundable charges}$$

3 Worked refund example

A 1,000-hour cosmetology student withdraws partway through. Here is the full math.

EXAMPLE

Cosmetology, 1,000 hours: student withdraws at 250 scheduled hours

Total program clock hours	1,000 hrs
Total tuition (excludes STRF, kit, registration)	\$12,000.00
Non-refundable registration fee (disclosed)	\$250.00
Kit and equipment issued (disclosed, non-refundable)	\$1,500.00
Amount the student has paid to date	\$5,000.00
Scheduled hours up to withdrawal date	250 hrs
Percentage of program scheduled = $250 \div 1,000$	25%
Tuition earned by school = $\$12,000 \times 25\%$	\$3,000.00
Plus non-refundable registration	\$250.00
Plus kit and equipment issued	\$1,500.00
Total the student owes the school	\$4,750.00
Refund owed to student = \$5,000 paid – \$4,750 owed	\$250.00

Because the student completed 25% of scheduled hours (below the pro-rata ceiling), pro-rata applies: the school earns 25% of tuition. The student paid \$5,000 but owes \$4,750, so a **\$250 refund** is due. If this same student had instead passed the policy's pro-rata ceiling (for example, more than 60% of hours), the school could retain the full tuition and no tuition refund would be owed. Refunds are generally due within the timeframe stated in your policy (commonly within 45 days of the determination of withdrawal).

Refund calculation worksheet

Fill in for an actual withdrawal. Keep the completed worksheet in the student file as documentation.

Student name / ID	
Program & total program clock hours	
Date of determination of withdrawal	
A. Total tuition charged	\$
B. Scheduled hours up to withdrawal	
C. Total program hours	
D. Percentage scheduled = $B \div C$	%
E. Tuition earned by school = $A \times D$	\$
F. Non-refundable registration fee (disclosed)	\$
G. Kit and equipment issued (disclosed)	\$
H. Total owed to school = $E + F + G$	\$
I. Amount student has paid to date	\$
REFUND OWED (if $I > H$) = $I - H$	\$
BALANCE DUE FROM STUDENT (if $H > I$) = $H - I$	\$

If past the pro-rata ceiling: if D exceeds the percentage your policy sets (commonly 60%), the school may retain full tuition and no tuition refund is owed. Always apply the policy as written in your enrollment agreement and catalog.

Disclosure documents that must accompany enrollment

These are provided to the student at or before enrollment and acknowledged in writing.



School Performance Fact Sheet (SPFS) for the program, signed and dated by the student *before* signing the enrollment agreement.



Current school catalog, including programs, policies, refund policy, and faculty.



STRF disclosure statement in the mandated language.



Notice concerning transferability of clock hours or credits.



Enrollment agreement copy: the student receives a fully executed copy.

Bella generates compliant agreements and refund math

Bella builds CA-compliant enrollment agreements with every required element and STRF line, attaches the SPFS, and computes pro-rata refunds from actual clock hours, documented in the student file automatically.

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Educational resource, not legal advice. Refund formulas, cancellation windows, the pro-rata ceiling, and STRF requirements are set by California law and your own approved policy. Verify current rules and the exact methodology at **bppe.ca.gov** and confirm clock-hour program requirements at **barbercosmo.ca.gov**. For Title IV students, the federal Return of Title IV (R2T4) calculation applies separately. Figures in the example are illustrative.

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