

**Southern Association of Colleges and Schools  
Commission on Colleges (SACSCOC)**  
<http://www.sacscoc.org>

**Disclosure Statement Regarding the Status of  
THE ART INSTITUTE OF HOUSTON  
Houston, Texas  
Issued December 15, 2016, by SACSCOC**

The following publicly available information is provided by the Southern Association of Colleges and Schools Commission on Colleges (SACSCOC) concerning the accreditation of The Art Institute of Houston. Information presented below is in accord with SACSCOC's disclosure policy; staff of the Commission cannot comment further on questions specifically related to The Art Institute of Houston. The institution has reviewed this statement prior to public posting.

Action by SACSCOC's Board of Trustees took place on December 4, 2016, and the institution's next review is December, 2017.

**What is the accreditation status of The Art Institute of Houston?** The Art Institute of Houston is accredited by the Southern Association of Colleges and Schools Commission on Colleges; however, the institution was continued in accreditation for good cause, denied reaffirmation of accreditation, and placed on Probation for 12 months following review of a Second Monitoring Report responding originally to news articles regarding the financial health of its parent corporation, Education Management Corporation. The Report included financial statements. Prior to the institution's next review by SACSCOC's Board of Trustees in December 2017, a Special Committee will conduct an on-site evaluation of its compliance with the *Principles of Accreditation*—the accreditation standards of the Commission. SACSCOC's accreditation includes all components of the institution—all programs, branch campuses, off-campus sites, and distance learning programs as reported to the Commission; thus, the Probation status applies to the entire institution.

**What does it mean to be continued in accreditation for good cause, denied reaffirmation, and placed on Probation?** When an institution has exhausted its two-year monitoring period for complying with SACSCOC's *Principles of Accreditation*, instead of removing the institution's accreditation, SACSCOC's Board of Trustees can extend accreditation for good cause if (1) the institution has demonstrated significant recent accomplishments in addressing non-compliance, **and** (2) the institution has provided evidence which makes it reasonable for the Board to assume it will remedy all deficiencies within a 12-month period, **and** (3) the institution has provided assurance to the Board that it is not aware of any other reasons, other than those identified by the Board, why the institution cannot be continued for good cause. An institution must be placed on Probation when it is continued in membership for good cause beyond the maximum two-year monitoring period. Probation is the most serious public sanction imposed by SACSCOC's Board of Trustees short of loss of accreditation. The maximum consecutive time that an institution may be on Probation is two years. In December 2017, The Art Institute of Houston will have been on Probation for 12 months. For additional information about sanctions, refer to SACSCOC's policy entitled "Sanctions, Denial of Reaffirmation, and Removal from Membership" that can be accessed at <http://www.sacscoc.org/policies.asp>.

**Why was The Art Institute of Houston continued in accreditation for good cause, denied reaffirmation of accreditation, and placed on Probation?** The Art Institute of Houston was continued in accreditation for good cause, denied reaffirmation of accreditation, and placed on Probation because SACSCOC's Board of Trustees determined that the institution had failed to demonstrate compliance with Core Requirement 2.11.1 (Financial resources and stability) and Comprehensive Standard 3.10.1 (Financial stability) of the *Principles of Accreditation*. These standards expect an institution to provide evidence that has a sound financial base and resources, and demonstrated financial stability. (To read full statements for the standards cited above, access the *Principles of Accreditation* at <http://www.sacscoc.org/principles.asp>.)

**What will happen in December 2017?** SACSCOC's Board of Trustees will consider the accreditation status of The Art Institute of Houston following review of a Third Monitoring Report submitted by the institution addressing the standards cited above for non-compliance, and the report of a Special Committee that will visit the institution in fall 2017. The Board will have the following options: (1) remove the institution from Probation, reaffirm accreditation without an additional report or with a focused Fifth-Year Follow-Up Report if the institution is in compliance; (2) continue accreditation for good cause, deny reaffirmation, continue the institution on Probation, authorize a Special Committee, and request an additional report; and (3) remove the institution from membership for failure to comply with the *Principles of Accreditation* or for failure to meet the provisions of good cause. Commission staff will not speculate on what decision might be made by SACSCOC's Board of Trustees in December 2017.

For additional information regarding SACSCOC's accreditation process, access the *Principles of Accreditation* (<http://www.sacscoc.org/principles.asp>).