

**CHANGE in LEGAL STATUS, CONTROL, or OWNERSHIP  
COMPLIANCE ASSESSMENT FORM**

## Instructions

The Distance Education Accrediting Commission requires all institutions undergoing a change in legal status, control, or ownership to obtain prior approval from the Commission and undergo an on-site visit. Prior approval serves two main purposes: (1) It provides institutions an opportunity to critically reflect on its operations, processes, and procedures prior to the change in legal status, control, or ownership and (2) it provides the on-site team with a comprehensive overview of the institution, its mission, and its processes that are integral to delivering quality distance education.

The questions on this Compliance Assessment Form are designed to assist on-site team evaluators in determining whether institutions continue to meet the intent of DEAC’s accreditation standards when undergoing a change in legal status, control, or ownership. Evaluators are not limited to the questions on this rating form. This rating form is for the evaluator’s use only. Evaluators do not need to send this rating form to DEAC.

DEAC evaluators decide whether institutions meet, partially meet, or do not meet accreditation standards. For any ratings of “partially meets” or “does not meet”, the evaluator must provide a “required action” that instructs the institution on what it needs to provide in order to demonstrate compliance with the identified standard. Evaluators should be careful to review institutions based only on the accreditation standards. Any recommendations beyond the scope of the accreditation standards should be provided in the suggestions section.

Findings guidelines:

* **Meets Standard:** The institution demonstrates compliance with the intent of the accreditation standard or core component.
* **Partially Meets Standard:** The institution was able to demonstrate compliance with some, but not all, of the elements contained in the accreditation standard or core component.
* **Does Not Meet Standard:** The institution was unable to demonstrate compliance with a majority of the elements contained in the accreditation standard or core component.

Evaluators should refer to the *DEAC Accreditation Handbook and Guide for Self-Evaluation* for any further clarification on institutional requirements.

## Institution Information

Change in Legal Status

Change in Form of Control

Change in Ownership

Name of Institution: Name of institution

Date of Visit: Date of on-site visit

Date Report Due: Date report is due

# Accreditation Standards

Standard I: Institutional Mission

1. **Description of the Mission**

The institution’s mission communicates its purpose and its commitment to providing quality distance educational offerings appropriate to the level of study offered. The mission establishes the institution’s identity within the educational community and guides the development of its educational offerings.

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| **Questions** | **Yes** | **No** | **N/A** |
| Did the institution’s mission statement change as a result of the change in legal status, form of control, or ownership?  [If yes, see the questions below regarding the updated mission.] |  |  |  |
| Does the mission statement appropriately establish the institution’s identity within the educational community? |  |  |  |
| Does the mission statement communicate the institution’s purpose and its commitment to providing quality distance educational offerings? |  |  |  |
| Is the institution’s mission appropriate to the level of study offered? |  |  |  |
| **Standard I.A. – Meets, Partially Meets, Does Not Meet, or Not Applicable** | Choose a finding. | | |

**Comments:** Provide comments to support the finding based on the institution’s responses and evidence provided prior to and during the on-site visit.

**Required Actions:** Provide the required actions necessary for the institution to demonstrate compliance with the accreditation standards. Each required action must correspond to an accreditation standard or a core component.

**Suggestions:** Suggestions are those recommendations that are not required to meet minimum accreditation standards but are provided to the institution as an opportunity for growth and improvement.

1. **Review and Publication of the Mission**

The institution’s administrative and academic leadership team, as well as representative members of the institution’s faculty, shall review the mission on a regular basis to determine whether the mission should be amended and how the institution is performing against the objectives set by its mission statement. The published mission statement is readily accessible to students, faculty, staff, other stakeholders, and the public.

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| **Questions** | **Yes** | **No** | **N/A** |
| Did the institution describe where the mission is published to demonstrate that it is readily accessible to students, faculty, staff, other stakeholders, and the public? |  |  |  |
| **Standard I.B. – Meets, Partially Meets, Does Not Meet, or Not Applicable** | Choose a finding. | | |

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Standard II: Governance

1. **Owners, Governing Board Members, Officials, and Administrators**

The institution’s owners, governing board members, officials, and administrators possess appropriate qualifications and experience for their positions. The owners, governing board members, officials, and administrators are knowledgeable and experienced in one or more aspects of education administration, finance, and the design and delivery of academic programs and related student services within a distance learning model. The institution’s policies clearly delineate the duties and responsibilities of owners, governing board members, officials, and administrators. Individuals in leadership and managerial positions are qualified by education and experience appropriate to their position and have the ability to oversee institutional operations consistent with the institution’s mission and program offerings.

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| **Questions** | **Yes** | **No** | **N/A** |
| Are the institution’s owner(s), governing board members, chief executive officer, and top institution administrators knowledgeable and experienced in educational administration? |  |  |  |
| Are the institution’s owner(s), governing board members, chief executive officer, and top institution administrators sufficiently knowledgeable and experienced to ensure quality that financial practices are in place to ensure institutional stability? |  |  |  |
| Are the institution’s owner(s), governing board members, chief executive officer, and top institution administrators sufficiently knowledgeable and experienced to ensure quality design and delivery of academic programs and student services? |  |  |  |
| Are the institution’s owner(s), governing board members, chief executive officer, and top institution administrators sufficiently knowledgeable and experienced to ensure quality educational offerings delivered via distance education? |  |  |  |
| Does the institution have processes and policies that clearly delineate the duties and responsibilities of the owner(s), governing board members, chief executive officer, and top institution administrators? |  |  |  |
| Does the institution verify that all individuals in leadership and managerial positions are qualified by education and experience, as appropriate to their respective positions? |  |  |  |
| Do the institution’s owner(s), governing board members, chief executive officer, and top institution administrators remain current within the disciplines offered by the institution and its educational community? |  |  |  |
| **Standard II.A. – Meets, Partially Meets, Does Not Meet, or Not Applicable** | Choose a finding. | | |

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**Suggestions:** Suggestions are those recommendations that are not required to meet minimum accreditation standards but are provided to the institution as an opportunity for growth and improvement.

1. **Reputation of Institution, Owners, Governing Board Members, Administrators, and Other Officials**

The institution and its owners, governing board members, officials, and administrators possess sound reputations, a record of integrity, and ethical conduct in their professional activities, business operations, and relations. The institution’s name is free from any association with activity that could damage the reputation of the DEAC accrediting process, such as illegal actions, fraud, unethical conduct, or mistreatment of consumers. The institution’s owners, governing board members, officials, and administrators shall comply with the institution’s policies and procedures governing conflicts of interest and other applicable rules of conduct.

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| **Questions** | **Yes** | **No** | **N/A** |
| Do the institution’s owner(s), governing board members, chief executive officer, and top institution administrators possess sound reputations and records of integrity? |  |  |  |
| Do the institution’s owner(s), governing board members, chief executive officer, and top institution administrators practice ethical conduct in their professional activities, business operations, and business relations? |  |  |  |
| Do the institution’s owner(s), governing board members, chief executive officer, and top institution administrators comply with the institution’s policies and procedures governing conflicts of interest and other applicable rules of conduct? |  |  |  |
| Is the institution’s name free from any association with activity that could damage the reputation of the DEAC accrediting process, such as illegal actions, fraud, unethical conduct, or mistreatment of consumers? |  |  |  |
| Were any owner(s), governing board members, chief executive officer, or top institution administrators debarred by federal or state authorities from participating in any funding programs? |  |  |  |
| Did the institution affirm that it will promptly notify DEAC of any investigative, enforcement, legal, or prosecutorial actions which may be initiated against the institution, its owners, governing board members, officials, and administrators and that such notification shall include an explanation of the circumstances giving rise to such actions and the institution’s response to the same, as well as its explanation of why such actions should not be deemed a concern with respect to the integrity of the named persons or institutions? |  |  |  |
| **Standard II.B. – Meets, Partially Meets, Does Not Meet, or Not Applicable** | Choose a finding. | | |

**Comments:** Provide comments to support the finding based on the institution’s responses and evidence provided prior to and during the on-site visit.

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**Suggestions:** Suggestions are those recommendations that are not required to meet minimum accreditation standards but are provided to the institution as an opportunity for growth and improvement.

Standard III: Institutional Planning and Effectiveness

1. **Mission Achievement**

The institution plans and implements comprehensive processes with clearly defined metrics and criteria to monitor effectiveness of all aspects of the institution’s operations against the institution’s mission and any initiatives identified in the strategic plan. The institution shares appropriate information from the data gathered with relevant stakeholder groups.

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| **Questions** | **Yes** | **No** | **N/A** |
| Did the institution provide the metrics and criteria it uses to measure achievement of its mission? |  |  |  |
| Did the institution identify who is responsible for documenting the institution’s achievement of its mission? |  |  |  |
| **Standard III.A. – Meets, Partially Meets, Does Not Meet, or Not Applicable** | Choose a finding. | | |

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1. **Strategic Planning**

The institution implements a strategic plan utilizing a systematic process for the achievement of goals that support its mission. The institution’s planning processes involve all areas of the institution’s operations in developing strategic initiatives and goals by evaluating external and internal trends. Data is used to identify areas of weakness and opportunities for improvement, development, and growth. The plan helps institutions set priorities, manage resources, and set goals for future performance.

The strategic plan addresses, at a minimum, finances, academics, technology, admissions, marketing, personnel, and institutional sustainability and includes measurable action plans that lead to mission achievement. The plan identifies the individuals responsible, timelines for completion, and the financial resources required. The institution reviews the strategic plan at least annually and reports achievement of progress to its stakeholders.

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| **Questions** | **Yes** | **No** | **N/A** |
| Did the institution provide a copy of its strategic plan? |  |  |  |
| Did the institution identify areas for improvement via a SWOT Analysis (strengths, weaknesses, opportunities, and threats) or other means of evaluation?  [Note: A SWOT analysis is not specifically required, provided that the institution appropriately identified areas of weakness and opportunities for improvement through other evaluative processes or means.] |  |  |  |
| Does the institution’s strategic plan address the following: financial stability; development of educational offerings; integration of technology to enhance educational offerings; effective and accurate admissions and marketing activities to promote institutional sustainability; and professional development of leadership, faculty, and staff? |  |  |  |
| **Standard III.B. – Meets, Partially Meets, Does Not Meet, or Not Applicable** | Choose a finding. | | |

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Standard IX: Academic Leadership and Staffing

1. **Academic Leadership**

The institution provides academically qualified and experienced leadership to direct and oversee the effective delivery of its educational offerings using distance learning models. Academic leadership is responsible for the quality of program and student outcomes, as well as for the selection, training, continued quality, and development of faculty.

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| **Questions** | **Yes** | **No** | **N/A** |
| Do the institution’s academic leaders possess the academic qualifications and experience to direct and oversee the effective distance education delivery of educational offerings? |  |  |  |
| Does the institution’s academic leadership include individuals who are adequately qualified and experienced in the institution’s implemented distance learning modalities? |  |  |  |
| Did the institution describe the respective roles and responsibilities of academic leadership personnel and do they reflect an adequate academic infrastructure to provide effective distance education delivery of its educational offerings? |  |  |  |
| Are the institution’s academic leaders assigned appropriate responsibilities based on their respective qualifications and identified roles within the organization? |  |  |  |
| Are there adequate processes in place to ensure that academic leaders are responsible for and engaged in review of program quality and student outcomes? |  |  |  |
| Does the institution have appropriate processes in place for academic leadership’s selection, training, and ongoing development of faculty? |  |  |  |
| **Standard IX.A. – Meets, Partially Meets, Does Not Meet, or Not Applicable** | Choose a finding. | | |

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Standard XIV: Finance[[1]](#footnote-1)

* 1. **Financial Practices**

The institution provides on an annual basis complete, comparative financial statements covering its two most recent fiscal years’ financial statements that are audited and prepared in conformity with generally accepted accounting principles (GAAP) in the United States of America or the International Financial Reporting Standards (IFRS). In the event the operations of the institution are supported in whole or in part by a parent company or a third party, the Commission may require audited financial statements from the parent or third party to demonstrate that the entity possesses sufficient financial resources to provide the institution continued financial sustainability. If the institution’s financial performance is included within the parent corporation’s statements, a supplemental schedule for the individual institution is appended to the parent statement, and inter-company transactions are clearly identified and defined. The institution’s budgeting processes demonstrate that current and future budgeted operating results are sufficient to allow the institution to accomplish its mission and goals.

**[Note:** Throughout this Standard,compliance assessment questions refer only to audited comparative financial statements to align with the Standard as written. See the footnote for Standard XIV, regarding continued allowable submission of reviewed comparative financial statements through mid-2026 and adjust findings feedback accordingly].

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| **Questions** | **Yes** | **No** | **N/A** |
| Do the institution’s audited comparative financial statements demonstrate financial responsibility? |  |  |  |
| Does the institution maintain sufficient resources to meet its financial obligations and provide quality educational offerings and service to students? |  |  |  |
| Are the institution’s financial statements regularly audited? |  |  |  |
| Did the institution submit its most recent fiscal year end audited comparative financial statements, opinion letter, and letter of financial statement validation? |  |  |  |
| Are the institution’s financial statements prepared in conformity with generally accepted accounting principles (GAAP) in the United States of America or the International Financial Reporting Standards (IFRS)? |  |  |  |
| Are the institution’s budgeting processes adequate, and do they conform to accepted best practices? |  |  |  |
| Are the individuals responsible for creating and monitoring the institution’s budget qualified by education and experience? |  |  |  |
| Does the institution’s budgeting process document and verify that current and future operating results are sufficient to allow it to accomplish its mission and goals? |  |  |  |
| Is the institution supported by a parent company or third party? |  |  |  |
| If the institution is supported by a parent company or third party, does the supporting entity possess sufficient financial resources to provide the institution with continued financial sustainability? |  |  |  |
| Is the parent company or third party’s stated commitment to supporting the institution sufficient? |  |  |  |
| Is the supporting entity’s level of administrative and financial involvement adequate to promote the institution’s continued financial sustainability? |  |  |  |
| If the institution’s financial performance is included within the parent corporation or third party’s financial statements, did the institution provide adequate supplemental schedules disclosing its individual financial status? |  |  |  |
| If the institution’s financial performance is included within the parent corporation or third party’s financial statements, did the institution provide adequate supplemental schedules which clearly identify and defines inter-company transactions? |  |  |  |
| **Standard XIV.A. – Meets, Partially Meets, Does Not Meet, or Not Applicable** | Choose a finding. | | |

**Comments:** Provide comments to support the finding based on the institution’s responses and evidence provided prior to and during the on-site visit.

**Required Actions:** Provide the required actions necessary for the institution to demonstrate compliance with the accreditation standards. Each required action must correspond to an accreditation standard or a core component.

**Suggestions:** Suggestions are those recommendations that are not required to meet minimum accreditation standards but are provided to the institution as an opportunity for growth and improvement.

* 1. **Financial Management**

Individuals overseeing the fiscal and budgeting processes are qualified by education and experience. The institution maintains adequate administrative staff and other resources to operate effectively within fiscal and budgeting constraints, consistent with its representations of the scope and quality of its educational offerings as guided by its mission statement and strategic plan. Any risk that exists is adequately monitored, manageable, and insured. The institution has adequate administrative resources for effective operations, and at least one person is qualified and able to prepare accurate financial reports in a timely manner. Documentation protocols and controls are in place to assure that finances are properly managed, monitored, and protected.

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| **Questions** | **Yes** | **No** | **N/A** |
| Are the individuals responsible for preparing the institution’s financial reports and budgets qualified by education and experience? |  |  |  |
| Are financial reports and budgets regularly prepared? |  |  |  |
| Does the institution employ an individual, internally or a third party, who is responsible for reviewing and approving financial reports and budgets? |  |  |  |
| Does the institution maintain adequate administrative resources to operate effectively within fiscal and budgeting constraints? |  |  |  |
| Are risks appropriately monitored, managed, and insured? |  |  |  |
| Does the institution maintain adequate insurance coverage? |  |  |  |
| Has the institution filed any significant insurance claims in the past five years? |  |  |  |
| Does the institution have adequate protocols and controls in place to verify that finances are properly managed, monitored, and protected? |  |  |  |
| Do the institution’s accounts payable (numbers, amounts, and age) reflect sound financial responsibility and management? |  |  |  |
| **Standard XIV.B. – Meets, Partially Meets, Does Not Meet, or Not Applicable** | Choose a finding. | | |

**Comments:** Provide comments to support the finding based on the institution’s responses and evidence provided prior to and during the on-site visit.

**Required Actions:** Provide the required actions necessary for the institution to demonstrate compliance with the accreditation standards. Each required action must correspond to an accreditation standard or a core component.

**Suggestions:** Suggestions are those recommendations that are not required to meet minimum accreditation standards but are provided to the institution as an opportunity for growth and improvement.

* 1. **Financial Stability and Sustainability**

Financial statements must reflect that the institution has sufficient resources to meet the institution’s financial obligations to provide quality instruction and service to its students for the full period of each student’s enrollment, consistent with the institution’s program representations.

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| **Questions** | **Yes** | **No** | **N/A** |
| Do the institution’s financial statements reflect sufficient resources to meet its financial obligations to provide quality instruction and service to its students for the full period of students’ enrollment, as represented to the public? |  |  |  |
| Is the institution profitable? For nonprofits, does the institution have an excess of revenues over costs? |  |  |  |
| If the institution is not profitable, has the institution implemented strategic initiatives to achieve a positive operating result sufficient to fund future operations? |  |  |  |
| Does the institution have the resources necessary to fulfill all obligations to students in the event that a teach-out is required? |  |  |  |
| Does the institution use cost control and analysis systems to verify that it maintains sufficient current assets to fund a teach-out of students? |  |  |  |
| Have the institution’s owner(s) or governing board members ever declared bankruptcy? |  |  |  |
| If the institution is a sole proprietorship or partnership, have the owner(s), governing board members, chief executive officer, or top institution administrators have ever declared bankruptcy? |  |  |  |
| Does the institution maintain reserves for honoring future service obligations, bad debts, and refunds? |  |  |  |
| **Standard XIV.C. – Meets, Partially Meets, Does Not Meet, or Not Applicable** | Choose a finding. | | |

**Comments:** Provide comments to support the finding based on the institution’s responses and evidence provided prior to and during the on-site visit.

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**Suggestions:** Suggestions are those recommendations that are not required to meet minimum accreditation standards but are provided to the institution as an opportunity for growth and improvement.

* 1. **Financial Reporting**

Annual financial statements are prepared in conformity with generally accepted accounting principles in the United States of America, often referred to as “GAAP”, including the accrual method of accounting. An independent certified public accountant (CPA) audit report accompanies these statements. At its discretion, the Commission may require additional financial reporting from the institution.

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| **Questions** | **Yes** | **No** | **N/A** |
| Are the institution’s financial statements prepared in conformity with generally accepted accounting principles (GAAP) in the United States of America or the International Financial Reporting Standards (IFRS)? |  |  |  |
| Does the institution use the accrual method of accounting? |  |  |  |
| Is the institution’s independent auditing firm qualified and experienced? |  |  |  |
| Did the independent auditor identify any deviations while conducting the institution’s audit? |  |  |  |
| If applicable, did the institution identify how it plans to address and resolve any identified challenges, anomalies, or threats? |  |  |  |
| Does the institution have procedures that enable it to continue operations if it received a going concern or liquidity footnote opinion from the independent auditing firm? |  |  |  |
| If a going concern or liquidity uncertainty was resolved through continued shareholder support, did the institution explain why the independent auditing firm did not accept the support as sufficient to avoid the going concern opinion or liquidity note? |  |  |  |
| Did the institution certify that it understands that the Commission may, in its discretion, require that the institution deliver additional financial reporting as deemed necessary when circumstances raise questions as to the institution’s financial soundness and stability? |  |  |  |
| **Standard XIV.D. – Meets, Partially Meets, Does Not Meet, or Not Applicable** | Choose a finding. | | |

**Comments:** Provide comments to support the finding based on the institution’s responses and evidence provided prior to and during the on-site visit.

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1. The implementation and submission timeframe of Standard XIV.A.’s requirement that institutions provide audited comparative financial statements (reviewed comparative financial statements will no longer be accepted) is as follows: For institutions with fiscal years ending between January 1, 2025, and June 30, 2025, audited financial statements are due by December 31, 2025. For institutions with fiscal years ending between July 1, 2025, and December 31, 2025, audited financial statements are due by June 30, 2026. In both cases, the Commission is waiving the requirement for comparative statements and accepting audits of one fiscal year. Future submissions of audited statements (submitted after June 30, 2026) must be prepared on a comparative basis. [↑](#footnote-ref-1)