

**CHANGE in LEGAL STATUS, CONTROL, or OWNERSHIP  
REPORT TEMPLATE**

Background

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 a comprehensive overview of the institution, its mission, and its processes that are integral to delivering quality distance education.

The Distance Education Accrediting Commission’s accreditation process is grounded on the fundamental principle of peer review that enables faculty and administrative staff from within higher education to make recommendations essential to ensuring the quality of learning and institutional operations for all students. The process is guided by transparent standards that are established collaboratively by professional peers and member institutions.

The on-site visit provides an opportunity for evaluators to meet with key staff members, faculty/instructors, principal managers, outside accountants, governing board members, and advisory council members. The evaluators verify that the institution is meeting its mission and can demonstrate successful student achievement.

This report informs the Commission whether the institution meets, partially meets, or does not meet each of DEAC’s accreditation standards and core components when undergoing a change in legal status, control, or ownership. The report is provided to the institution for response approximately four to six weeks following the on-site visit. Both the report and the institution’s response are submitted to the Commission for review prior to final decision making.

Instructions

It is the evaluator’s responsibility to review and assess the accuracy of the information presented in the application and during the on-site visit. By completing the following report template, the evaluator presents an overall determination of whether the institution adequately demonstrates that it meets DEAC’s accreditation standards when undergoing a change in legal status, form of control, or ownership.   
  
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.

The Chair should provide clear and concise descriptions within the “Comments” section of the report to support each determination that a standard or core component is met, partially met, or not met. If an institution meets the accreditation standard, the Chair may want to consider highlighting within the Comments section the processes and procedures the institution followed that enabled it to demonstrate compliance. If an institution partially meets or does not meet a standard, the Chair needs to adequately describe why the evaluation team reached this decision and refer, as appropriate, to narrative sections and exhibits within the SER that support the determination.

The Chair must also indicate the required actions necessary for the institution to demonstrate compliance with the partially met or unmet accreditation standard. Each required action must be tied back to an accreditation standard or core component.

For required actions, the Chair should begin each statement with, “[Insert Name of Institution] needs to [insert the action necessary by the institution to demonstrate compliance with the accreditation standard.]”

As part of the peer review process, it is important that institutions receive suggestions for improving their educational offerings and support services. The accreditation process allows the institution to benefit from an external review and perspective. The Chair is encouraged to provide suggestions within the report. 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.

For suggestions, the Chair should begin each statement with, “[Insert Name of Institution] may want to consider [insert the recommendation for improvement.]”

It is the Chair’s responsibility to review the merits and evidence presented for each determination. It is within the Chair’s discretion to choose a finding based on the institution’s response and evidence presented during the on-site visit.

**Report Submission:** The Chair emails the completed report to the director of accreditation four weeks after the on-site visit. Once all information is received, DEAC notifies the Chair to appropriately dispose of all institutional materials.   
  
Helpful Hints

* The report should be objectively written in third person, narrative format using declarative sentences and simple verbs. The report should avoid broad generalities and speculative views.
* The report represents an accurate, concise, factual, and thorough presentation of the findings during the on-site visit.
* When making a determination whether the institution meets, partially meets, or does not meet accreditation standards, the Chair should include evidence of documents reviewed on site or analyzed in the report that led to the finding. Include specific examples.
* The report documents attributes and deficiencies using language found in the accreditation standards and core components. All deficiencies must be documented.
* The report should not require an institution to implement a new program or procedure in order to demonstrate compliance with a partially met or unmet accreditation standard. The report states the required action necessary to provide evidence or demonstrate compliance. The institution bears responsibility for demonstrating compliance with DEAC’s accreditation standards.
* The report accurately presents comments, required actions, and suggestions using direct quotations, references, and data.
* The report does not make recommendations to the Commission concerning the overall accreditation of the institution.

DEAC Change in Legal Status, Form of Control, or Ownership Report (Confidential)

Name of Institution: Name of Institution

Date of On-site Visit: Date of On-site Visit

Submitted By: Evaluator Name

Date of Report: Date of Report

On-site Team Members

Chair

Name  
Title  
Institution or Affiliation

DEAC Staff Observer

Name  
Title

Institution or Affiliation

Onsite Visit Background and Summary

**Purpose of the Onsite Visit (check one):**

Change in Legal Status

Change in Form of Control

Change of Ownership

**Visit Summary:** Provide an overview of the on-site visit, including how well the institution was prepared.  
**Institutional Overview:** Provide an overview of the applicant institution, including founding, organizational structure, target student population, legal form and governance, and status of state authorization.

**Legal Establishment and Levels of Ownership:** Provide an overview of the institution’s legal establishment (e.g., S corporation, C corporation, nonprofit corporation, partnership, publicly traded corporation, proprietorship) and describe the multiple levels of ownership, including the percentage of ownership in the ownership structure up to the parent entity.

# 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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| **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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| **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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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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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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| **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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| **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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| **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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| **Standard XIV.A. – Meets, Partially Meets, Does Not Meet, or Not Applicable** | Choose a finding. |

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* 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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| **Standard XIV.B. – Meets, Partially Meets, Does Not Meet, or Not Applicable** | Choose a finding. |

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* 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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| **Standard XIV.C. – 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. **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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| **Standard XIV.D. – 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. 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)