



1926
2016
*DEAC
student-centered since 1926



ANNUAL REPORT 2015 - 2016

OUR VISION

The DEAC is the preeminent accrediting organization for distance education delivered worldwide that sets high standards for academic quality inspiring excellence in teaching, learning, and student outcomes through voluntary assessment and peer review.

OUR MISSION

Assuring students high quality distance education through accreditation, peer review, and institutional improvement.

1926
2016

Student centered for 90 years.

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LETTER FROM THE EXECUTIVE DIRECTOR

Dear Colleagues,

I am pleased to provide you with an overview of the work of the Distance Education Accrediting Commission (DEAC) for the 2015-2016 year. This year, DEAC is celebrating 90 years of serving distance education students. DEAC was founded in 1926 under the name of “National Home Study Council” to promote educational quality and ethical business practices for correspondence education programs. It is fascinating to think back to what life and educational opportunities were like in 1926. At that time, Ford Motor Company announced the creation of a 40-hour work week for factory workers paying approximately \$5 for an eight hour day; U.S. Route 66 was created to run from Chicago to Los Angeles; the first SAT college admissions test was given to high school students; John Logie Baird conducted the first public demonstration of a television; and Winnie-the-Pooh was published by author A. A. Milne.

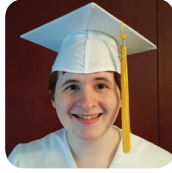
How far we have come since then! Across the decades, education has proven to be the single most powerful engine of individual progress and upward mobility. And in today’s rapidly changing workplace, that’s truer than ever. Distance education is vital to expanding these learning opportunities that serve the unique needs of students.

As DEAC celebrates its 90th year, we pay tribute to its distinguished history and to all who have made it possible. Looking ahead to our centennial in 2026 and focusing on the challenge of educating and preparing our students for the future, it is important to recognize what truly holds our organization together—the people of DEAC. DEAC owes its 90-year legacy of access to quality distance education to the students, alumni, faculty, staff, and families who make up the DEAC community, past and present.

During this year of celebration, we recognize and thank those who helped DEAC get to where it is today and ask for your continued support of our most important priority – high quality education for students.

Sincerely,

Leah K. Matthews, PhD
Executive Director



Outstanding Graduates Clockwise from top: Daniel Russell, Hadley Institute for the Blind and Visually Impaired; Mariela Abreu, Sessions College for Professional Design; Nick Freitas, Henley Putnam University

KEY ACTIVITIES

FOR 2015 - 2016

No other accrediting organization represents the broad spectrum of mission among distance education institutions like the DEAC does.

DEAC's accomplishments for 2015-2016 are reflective of its 90-year history as the nation's only national accreditation organization holding recognition by the U.S. Department of Education and the Council for Higher Education Accreditation exclusively for the accreditation of distance education institutions. DEAC-accredited institutions offer high school education credentials, postsecondary education certificates, diplomas, and degree programs through the professional doctoral level. No other accrediting organization represents the broad spectrum of mission among distance education institutions like the DEAC does.

2015-2016 was another year of relentless inquiries into education, its quality and its value. All sectors of the education community are continually caught up in a federal policy narrative that directs criticism at accreditors and their institutions for not doing enough to prepare students and graduates for the rest of their lives. It is important to acknowledge, however, that education leaders are living and leading their institutions in the context of ever-increasing public scrutiny, demands for more accountability, and a "new normal" of progressively constrained resources. DEAC's response to this challenging environment is to devote our talent and resources to refining an accreditation system that communicates a strong and proactive message about quality assurance and that specifically addresses high expectations for distance education and student learning outcomes. This report summarizes key accomplishments which, driven by our strategic initiatives, enabled DEAC to serve its institutions and students during a time of multiple challenges and opportunities for the broader education community.

DEAC'S 2015-2016

STRATEGIC INITIATIVES

Brand Recognition

- ▶ DEAC exemplifies a new paradigm in which accrediting organizations are identified by their innovation and excellence rather than geographic boundaries.
- ▶ DEAC accreditation complements and strengthens institutional status through its unprecedented understanding of the changing distance education landscape.
- ▶ DEAC is a unique and recognizable brand that communicates a consistent message about its contribution to the field of distance education and its value and service to stakeholders including: a high quality assessment process, resources that inspire excellence, and adaptability to change and innovation in distance education and accreditation.

Leadership

- ▶ DEAC is leading a community of educators that inspires excellence in teaching and learning in an ever-changing education environment.
- ▶ DEAC facilitates a community of trendsetters who pioneer innovation and change in distance education that supports students in achieving their goals.
- ▶ DEAC is an active cultivator of a global distance education network that fosters a culture of accountability, quality assurance, and continuous improvement for distance education.

Advocacy

- ▶ DEAC contributes to a greater social good through:
- ▶ *Standards setting for distance education that ensures excellence in teaching, learning, and student outcomes.*
- ▶ *Supporting institutions that meet a high bar and helping applicants meet this standard of excellence.*
- ▶ DEAC builds awareness of best practice for distance education quality assessment models that can help to reform existing accreditation systems.
- ▶ DEAC pioneers innovations in distance education assessment that focus on enhancing affordability, flexibility, and accessibility for students.

Organizational Excellence

- ▶ DEAC engages a global stakeholder base that includes institutions, students, employers, other accreditors, non-traditional education providers, regulators, leaders and trendsetters in distance education.
- ▶ DEAC works with its stakeholders to hone best practices for distance education teaching and learning while focusing on developing skills that result in workforce preparation, professional development, and civic engagement.

DEAC ACCREDITATION HANDBOOK REORGANIZATION

The DEAC Accreditation Handbook project was DEAC's most important strategic initiative for the 2015-2016 year. Consistent with the principles of continuous improvement and self-examination DEAC expects of its accredited institutions, over the past year DEAC engaged in an extensive effort to review all of its accreditation standards, policies, and procedures. While DEAC's accreditation standards are notable for setting appropriate levels of specificity with respect to distance education capacity and performance, the overarching goal of this effort was to center the accreditation standards more visibly on institutional effectiveness and improvement and the provision of evidence about the achievement of student learning outcomes. Throughout two call-for-comment periods, DEAC worked to 1) identify and resolve redundancies, 2) clarify language and requirements where needed, and 3) consolidate requirements that address a specific institutional area or function but are spread across accreditation standards, procedures, and policies. The scope of the project also entailed combining the accreditation standards and

the business standards into one comprehensive set of accreditation standards. This facilitates a more flexible application to a wide range of institutional circumstances and diversity. This is an aspect of the accreditation system that will need DEAC's continued attention as alternative instructional delivery systems and teaching-learning models emerge in the future. DEAC wishes to thank Susan Chiaramonte and the members of the Standards Committee for their very hard work and enduring contributions to this process.

DEAC Standards Committee:

Cynthia Mathena

*University of St. Augustine
for Health Sciences*

Paul McDonald

*American Graduate
University*

Connie Dempsey

PennFoster

Scott Eidson

Apollos University

Jessica Park

*Abraham Lincoln
University*

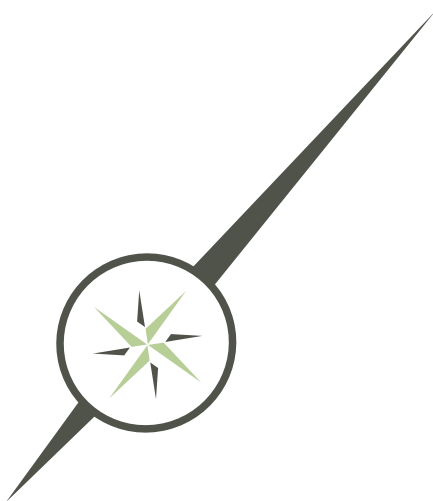
Mary Adams

*American Sentinel
University*



COMPASS BLOG

DEAC launched *The DEAC Compass* blog in September 2015 to connect more frequently with DEAC institutions and partners on pertinent, important topics. As we engage and communicate with one another we strive to be a more purposeful and active part of this movement. The Compass blog established connections with distance education thought leaders and institutions as one way to implement our strategic initiatives for advocacy, leadership, and organizational excellence.



- ▶ **Advocacy:** Through this channel, we will feature how distance education contributes to the greater social good by highlighting best practices and by sharing guidance on some of the most challenging issues our institutions currently face to support their students and assure the quality of education worldwide.
- ▶ **Leadership:** Our blog provides a venue for our most innovative pioneers to share how they are changing what distance education means every day to help their students achieve their goals.
- ▶ **Organizational Excellence:** We are committed to advancing excellence among our institutions and to pushing the envelope every day to advance our strategic initiatives.

As DEAC continues to innovate and bolster its presence in the social media landscape, our brand of excellence in distance education teaching and learning will continue to grow to support the students of today and tomorrow.

DATA ANALYTICS DRIVE CHANGES TO DEAC'S INSTITUTIONAL ANNUAL REPORTING PROCESS

The use of data analytics is trending upward across higher education and receiving an increasing level of attention for its value as a versatile tool to improve student retention and educational success. More than ever, the analysis of large data sets provides a key basis of institutional productivity, innovation, and growth for the near future. The capabilities of data analytics align with DEAC's strategic vision to pioneer innovation and change in distance education that supports students in achieving their goals. Data analytics provide a big picture to institutional leadership to drive strategic decision making by:

- ▶ Helping institutions develop early warning systems that identify when students may be getting off track.
- ▶ Helping to identify the factors contributing to irregular outcomes and helping institutions appropriately address outcomes that do not meet expectations.
- ▶ Providing accurate information that helps the strategic allocation of resources to support learning.
- ▶ Documenting how much time students spend on certain learning modules or activities and then in turn helping institutions to determine if a course needs to be redesigned.

Expectations of institutional **accountability, transparency, and integrity of outcomes** are firmly entrenched as the norm. The expectation includes institutional demonstration of a strong understanding and application of appropriate metrics, leading to actions that empower student success. If performance metrics are to be identified, targeted, measured and most importantly, analyzed to improve the higher education learning environment, then major attention must be devoted to institutional data, research, and analysis. Recognizing these important trends, DEAC launched a redesigned institutional annual reporting process in January 2016 to support the important work accreditation must undertake to assess student achievement. Institutions that engage fully in collecting and analyzing data can build a culture of evidence about how the institution gauges student success and student learning, improvement and development, responsiveness to the changing student population, and contributions to the greater good.

U.S. DEPARTMENT OF EDUCATION FEDERAL STUDENT AID EXPERIMENTAL SITES INITIATIVE

Last year DEAC was pleased to announce its participation along with American Sentinel University, in the U.S. Department of Education's Competency Based Education Experimental Sites Initiative. This year, DEAC's Approved Quality Curriculum (AQC) process was accepted into the first phase of USDE's EQUIP, the Educational Quality through Innovative Partnerships. This initiative has the potential to significantly alter the accreditation landscape. The experiment focuses on the quality of emerging innovative providers outside the scope of traditional accreditation. It calls for establishing new forms of external quality review that potentially could serve as additional reliable authorities on quality alongside accreditation. DEAC's AQC is included in an innovative partnership with Empire State University and the Childcare Institute.

RAISING DEAC'S PROFILE

Dr. Matthews continues to promote DEAC during her speaking engagements at education conference events throughout the year, including the National Association of State Administrators and Supervisors of Private Schools (NASASPS), Council for Social Work Education (CSWE), WCET Annual Conference and Leadership Forum, The Presidents' Forum, Association of Private Sector Colleges and Universities (APSCU), Association for Specialized and Professional Accreditors (ASPA), Department of Defense State Liaison Office – Regional Liaison Workshop, California

Association of Private Postsecondary Schools (CAPPS), Higher Education Capital Roundtable, and the Council for Higher Education Accreditation (CHEA). Dr. Matthews was recently elected as the At-Large Member of the WICHE Cooperative for Educational Technologies (WCET) Leadership Steering Committee and is beginning a three-year term as a board member representing accreditation on the National Council for State Authorization Reciprocity Agreements (NC-SARA).

ACCREDITATION DECISION ACTIVITY FOR 2015-2016

3

Initial accreditation

9

Renewal of accreditation

5

Accreditation deferred for further review

5

Voluntarily withdrawal from accreditation

1

Change of Name

3

Changing of Ownership

12

Change of Location

0

Accreditation denial

2

Certification to participate in Title IV

48

Approval of new courses or programs

FINANCIAL HIGHLIGHTS



The DEAC has continued its commitment to sound financial stewardship of its resources and to allocating resources to support the best possible positioning of continuous improvement. At every opportunity DEAC seeks to ensure the sustainability of its accreditation services and enable the development of innovations. By safeguarding compliance with financial control requirements and balancing costs and service levels, DEAC will continue to enable its mission and vision.

The financial information from which the accompanying financial highlights for the 2016 fiscal year were derived present fairly, in all material respects, the revenues and expenses for DEAC's key activities as of March 31, 2016. For a complete set of the audited financial statements, including statements of expenses and cash flows, full footnotes disclosure, and the unmodified opinion of the independent certified public accountants, please contact DEAC at 202-234-5100 or at 1101 17th Street NW, Suite 808, Washington, DC.

Outstanding Graduates: Gary Waters, Harrison Middleton University; Julia Brown, American Graduate University

FOR YEAR ENDING MARCH 31ST

REVENUES	ACTUAL FY 2015	FORECAST FY 2016	BUDGET FY 2017
Dues and Annual Fees	\$1,736,558	\$1,694,417	\$1,578,317
Application fees	\$81,200	\$71,750	\$145,900
Visitation Fees	\$372,662	\$346,396	\$389,250
Curriculum Fees	\$211,300	\$190,600	\$177,300
DEAC Meetings	\$211,950	\$189,060	\$202,500
Other Operational	\$11,238	\$9,907	\$11,187
Operational Revenues	\$2,624,908	\$2,502,130	\$2,504,454

FOR YEAR ENDING MARCH 31ST

OPERATING EXPENSES	ACTUAL FY 2015	FORECAST FY 2016	BUDGET FY 2017
Compensation & Related exp.	\$1,248,810	\$1,222,442	\$1,050,400
Outside Professional Fees	\$245,510	\$203,699	\$158,670
Office Related	\$224,379	\$320,317	\$330,496
Accreditation Expenses	\$564,029	\$538,801	\$603,340
Travel & Conferences	\$294,177	\$391,137	\$228,473
Other Expenses	\$5,787	\$2,770	\$1,800
Operational Expenses	\$2,582,692	\$2,679,166	\$2,373,179

DEAC BOARD OF DIRECTORS 2015-2016

MARY
ADAMS

President,
American Sentinel University

PATRICK
O'MALLEY

Assurance Partner (Retired),
PricewaterhouseCoopers LLP

JOSETTE P.
KATZ

Professor,
Atlantic Cape
Community College

WILLIAM A.
O'TOOLE

**Vice President of Government
Relations (Retired),**
Walt Disney World Resort

ROBERT
MAYES, JR.

President,
Columbia Southern University

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REEVES

President,
Shiloh University

TIMOTHY
MOTT

Director,
Off-Campus Programs
at Cincinnati State Technical
and Community College

ANN
ROHR

President,
Weston Distance Learning

WANDA
NITSCH

President,
University of St. Augustine
for Health Sciences

NANETTE
SWARTHOUT

Instructor,
Western Governors University



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Leah K. Matthews
Executive Director

Outstanding Graduates Clockwise from top: Elizabeth Exline, Penn Foster; Gaston Gnomou, Global University; Janet Robinson, University of Management and Technology; Judith Stegman, Catholic Distance University.



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In honor of our 90th year, we are proud to feature Famous Alumni and Outstanding Graduates from DEAC institutions in our Annual Report. On the cover, clockwise from top: Michelle Johnson, Famous Alumna, International Sports Sciences Association; Tem Frierson, Outstanding Graduate, Columbia Southern University; Kellie Cooney, Famous Alumna, American College of Healthcare Sciences; Michael Parker, Outstanding Graduate, Ellis University.