Distance Education Accrediting Commission

Public Notice: Denial of Initial Accreditation

July 28, 2020

The DEAC Accrediting Commission will provide written notice to the U.S. Secretary of Education, the appropriate state licensing or authorizing agencies and accrediting agencies at the same time it notifies the institution that the decision to deny accreditation is final. In addition, DEAC will provide written notice to the public on its website of the decision within 24 hours of the final decision and provide a brief statement summarizing the reasons for the decision. (Section XV.F., Processes and Procedures, DEAC Accreditation Handbook)

At its June 19, 2020 meeting, the Commission voted to deny the following institution initial accreditation.

California University of Business and Technology
2440-131 South Hacienda Boulevard
Hacienda Heights, CA 91745

The institution did not elect to appeal the decision; therefore, the decision is final and is effective as of July 28, 2020. CUBT is afforded the opportunity to provide official comments regarding the Commission’s decision. If it chooses to do so, it must provide the written comments to DEAC by August 11, 2020. (Section XV.G., Processes and Procedures, DEAC Accreditation Handbook)

The reasons for the Commission’s decision are provided below.

1. Standard I.C. Information on Achievement of the Mission

The institution identifies key indicators it uses to demonstrate that it is effectively carrying out its mission. The institution documents the achievement of its mission and shares appropriate information on this achievement with relevant groups (e.g., Advisory Councils, faculty, staff, students, and the public).

DEAC required CUBT to provide evidence that it uses educational assessment and key indicator data to show that students are achieving the student learning outcomes through a documented process that involves assessing the program learning outcomes and the course learning outcomes.

CUBT did not provide (1) a clear or convincing representation that CUBT engages in a comprehensive assessment of student learning outcomes or (2) the extent to which CUBT is effectively meeting its mission.

2. Standard II. A. Institutional Effectiveness Planning

The institution demonstrates a commitment to its educational offerings and administrative operations through processes that monitor and improve institutional effectiveness. The institution engages in sound research practices; collects and analyzes evidence about its effectiveness; and develops action plans that are used to improve operations, educational offerings, and services.
CUBT did not provide evidence that data from the assessment of student learning are systematically collected on an institution-wide basis and reviewed by relevant parties, or that CUBT uses this data to establish action plans for institutional improvement, as required by the standard.

3. Standard II.B. Strategic Planning
The institution has a systematic process of planning for the achievement of goals that support its mission. The institution’s planning process involves all areas of the institution’s operations (e.g., admissions, academic, technology, etc.) in identifying strategic initiatives and goals by evaluating external and internal trends as they affect the future. At a minimum, the strategic plan addresses finances, academics, technology, admissions, marketing, personnel, and institutional sustainability. The strategic plan is reviewed and updated annually using established metrics designed to measure achievement of strategic planning goals and objectives. The plan helps institutions set priorities, manage resources, and set goals for future performance.

CUBT’s plan indicated several action items as "ongoing" but did not offer any indication of the progress that had been made on these action items or the timelines for completion of these action items. CUBT did not explain how the budget aligned with the strategic goals.

4. Standard III.C. Curricula Delivery
All curricula and instructional materials are appropriately designed and presented for distance education. Online materials sufficiently support the curriculum and are delivered using readily available, reliable technology; and

Processes and Procedures Section III.A.5
Each program offered by the institution is predominantly distance education or correspondence education (51 percent or more).

CUBT did not demonstrate that effective procedures are in place to ensure that a majority of CUBT’s instructional delivery is provided via distance education. Furthermore, and based upon CUBT’s response, the Commission concluded that the institution’s Learning Management System (LMS) is predominately used as a communication tool and not for delivering a majority of the curriculum in a distance education format. The Commission, therefore, concluded that CUBT did not provide sufficient evidence to demonstrate that it meets DEAC’s eligibility requirement set forth in Part Two, Section I of the DEAC Accreditation Handbook.

5. Standard III.E. Curricula Development and Delivery
1. Qualified persons competent in distance education instructional design practices work with experts in subjects or fields to develop the content of all curricula and prepare instructional materials.
2. The institution describes its model for distance education delivery such as: correspondence, online or hybrid.
3. Any contracting with a third party for educational delivery is conducted in accordance with DEAC Processes and Procedures, Part Two, Section XIII F.4 and F.5, Changes in Educational Offerings.

CUBT did not provide concrete evidence to demonstrate that it has procedures in place to ensure that its course content is developed using best practices in distance education instructional design or that its curriculum developers are appropriately trained and qualified as required by DEAC standards. CUBT did
not provide supporting documentation to demonstrate that the curriculum development process is carried out by individuals with appropriate qualifications in developing distance education courses.

6. Standard III.H. Examinations and Other Assessments
Examinations and other assessment techniques provide adequate evidence of the achievement of stated learning outcomes. The institution establishes and enforces grading criteria that it uses to evaluate and document student attainment of learning outcomes.

As directed by DEAC, CUBT needed to demonstrate that its assessments, reflective of the degree levels offered, measure the achievement of course and program outcomes. Furthermore, CUBT needed to demonstrate that its dissertation handbook was implemented and that doctoral students are engaged in the creation of new knowledge that contributes to the field of study.

CUBT did not demonstrate that it is implementing assessment activities that are appropriately rigorous and that effectively measure the program learning outcomes for its master’s and doctoral degree programs.

7. Standard III.I. Student Integrity and Academic Honesty
The institution publishes clear, specific, policies related to student integrity and academic honesty. The institution affirms that the student who takes an assessment is the same person who enrolled in the program and that the examination results will reflect the student’s own knowledge and competence in accordance with stated learning outcomes.

And

Standard III.I. 2. Degree Programs
Degree granting institutions meet this requirement by administering proctored assessments at intervals throughout the program of study and provide a clear rationale for placement of the proctored assessments within the program. Proctors use valid government-issued photo identification or other means to confirm student identity.

CUBT did not provide sufficient evidence to demonstrate that proctoring information is presented to students or if any proctoring procedures are being implemented at CUBT. Although CUBT appears to have a policy, the institution did not provide evidence that it is implementing proctored examinations for its degree programs as required to demonstrate full compliance with this standard.

8. Standard IV.G. Student Records
Accurate student records are securely and confidentially maintained. Policies and procedures for keeping records on students’ academic progress are in accordance with applicable federal and state laws and professional requirements. Transcripts are readily accessible and are maintained permanently in either print or digital form.

And

Standard IV.H. Confidentiality and Privacy
The institution’s policies protect student confidentiality and privacy as required by applicable federal and state laws.

DEAC required CUBT to document its progress in implementing a new student information system (SIS) and provide evidence that demonstrates that the newly implemented SIS is meeting the standard.
For both standards, CUBT provided a one sentence response stating, "CUBT is using an integrated system within NEO" (CUBT response, p. 48). There was no further explanation regarding the implementation of the new SIS and no evidence that CUBT’s use of this SIS meets the DEAC standard.

9. Standard V.A. Student Achievement
The institution evaluates student achievement using indicators that it determines are appropriate relative to its mission and educational offerings. The institution evaluates student achievement by collecting data from outcomes assessment activities using direct and indirect measures. The institution maintains systematic and ongoing processes for assessing student learning and achievement, analyzes data, and documents that the results meet both internal and external benchmarks, including those comparable to courses or programs offered at peer DEAC-accredited institutions. The institution demonstrates and documents how the evaluation of student achievement drives quality improvement of educational offerings and support services.

DEAC required CUBT to demonstrate student achievement and provide reports of student learning data collected across all programs, such as aggregated student results on exams, discussion questions, and rubrics from a thesis or dissertation.

The institution has not demonstrated that it implements an effective, comprehensive, and coherent strategy for the assessment of student learning and achievement as required by DEAC standards.

10. Standard VI.C. Instructors, Faculty and Staff
Faculty/instructors are qualified and appropriately credentialed to teach the subject at the assigned level. The institution employs a sufficient number of qualified faculty/instructors to provide individualized instructional service to each student. The institution maintains faculty/instructor résumés, official transcripts, and copies of applicable licenses or credentials on file. Faculty/instructors are carefully screened for appointment and are properly and continuously trained on institution policies, learner needs, instructional approaches and techniques, and the use of instructional technology. The institution regularly evaluates faculty and administrator performance using clear, consistent procedures. The institution assures that faculty are appropriately involved and engaged in the curricular and instructional aspects of the educational offerings. Faculty are assigned responsibilities based on their degree qualifications and/or area(s) of expertise.

CUBT did not provide the evidence DEAC required to demonstrate that faculty are qualified in accordance with the standard.

The institution shows that it is financially responsible by providing complete, comparative financial statements covering its two most recent fiscal years and by demonstrating that it has sufficient resources to meet its financial obligations to provide quality instruction and service to its students. Financial statements are audited or reviewed and prepared in conformity with generally accepted accounting principles in the United States of America or International Financial Reporting Standards. 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.

To demonstrate compliance with the standard, CUBT was required to provide comparative audited financial statements with an unqualified audit opinion and provide a complete description of the
budgeting process and how budget-to-actual comparisons are used by management in the financial control process.

CUBT did not provide evidence to demonstrate that it is financially responsible, as required by the standard. It did not provide internally prepared data for the December 31, 2019 fiscal year-end or other information to demonstrate that it was properly recording accounts receivable and deferred revenues.


Individually overseeing the fiscal and budgeting processes are qualified by education and experience. The institution employs adequate administrative staff for effective operations, and at least one person is qualified and able to prepare accurate financial reports in a timely manner. Internal auditing trails and controls are in place to assure that finances are properly managed, monitored, and protected. Adequate safeguards prevent unauthorized access to online and on-site financial information.

CUBT did not provide evidence that the board and interim president are completing their due diligence by ensuring that a yearly audit is completed in a timely manner and in the appropriate format. CUBT did not demonstrate that it has procedures in place that ensure effective financial management and oversight.


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 or review report accompanies these statements.

CUBT provided 2017 and 2018 financial data. It did not provide updated information for the 2019 fiscal year. While letters were submitted by management that referenced responsibility for and an understanding of, accurate financial reporting, without the comparative financials for fiscal years 2019 and 2018, the Commission was unable to confirm that CUBT complies with this standard.