

## Distance Education Accrediting Commission

### Public Notice: Withdrawal of Accreditation

October 16, 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 of the decision to deny accreditation. In addition, DEAC will provide written notice to the public on its website of the decision within 24 hours of the decision and provide a brief statement summarizing the reasons for the decision. (Section XV., Processes and Procedures, *DEAC Accreditation Handbook*). At its October 2, 2020 meeting, the Commission voted to withdraw accreditation from the following school:

**New Learning Resources Online  
1417 Lelia Drive  
Jackson, MS 39216**

The school provided notice on October 26, 2020 that it has elected to appeal this decision. DEAC is implementing its appeal procedures in accordance with Part Two, Section XII, Appealing a Commission's Adverse Decision, *DEAC Accreditation Handbook*.

The reason for the Commission's adverse decision is set forth below.

#### **Standard XI.A. Financial Responsibility, Financial Practices, *DEAC Accreditation Handbook***

*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.*

NLRO failed to demonstrate compliance with DEAC Standard XI. Financial Responsibility through its failure to provide the Commission with financial statements for the fiscal year ended May 31, 2019. The annual submission of audited or reviewed financial statements is required of accredited institutions in order to maintain their accredited status (Part Two, Section XVII.A.9.b., *DEAC Accreditation Handbook*). NLRO was notified on multiple occasions that its financial statements were required in order to maintain accredited status and to demonstrate compliance with DEAC's financial responsibility standards. Further, in accordance with Part Two, Section IX.D.1, *DEAC Accreditation Handbook*, NLRO was afforded a final opportunity to provide new financial information that demonstrated such compliance. A submission provided by the school on September 1, 2020 regarding a partnership with an organization named Edmentum did not address NLRO's current financial stability or health; nor did it establish that NLRO's financial position meets the standard. In addition to failing to meet the specific requirement of audited financial statements set forth in the Commission's July 17, 2020 continued Show Cause Directive, the new information did not provide the Commission with any information to accurately assess NLRO's financial status. Accordingly, the Commission found that the new information proffered by NLRO did not meet the applicable criteria set forth in Part Two, Section XVII.A.9.b., *DEAC Accreditation Handbook*.