

## Distance Education Accrediting Commission

### Public Notice: Show Cause Directive

February 25, 2019

In accordance with its procedure for Notification and Information Sharing (Section X.C), Part II Processes and Procedures, DEAC Accreditation Handbook and 34 Code of Federal Regulations §602.26(b)(1), the Commission provides written notice to the U.S. Secretary of Education, the appropriate state licensing or authorizing agencies, the appropriate accrediting organizations, and the public at the same time it notifies the institution of the decision, but no later than 30 days after the Commission makes a decision to place an institution on show cause.

At a December 18, 2018 meeting, the Commission voted to direct the following institution to show cause why its accreditation should not be withdrawn.

APT College  
333 University Avenue Suite 200  
Sacramento, CA 95825<sup>1</sup>

At its January 2019 meeting, the Commission voted to continue the show cause order and scheduled the next review for March 15, 2019.

Listed below are the DEAC Standards of Accreditation pertinent to the Commission's decision.

#### **Part Two: Processes and Procedures, Section XV, DEAC Accreditation Handbook**

APT must demonstrate it maintains a written teach-out plan for its currently enrolled students for DEAC approval that includes all elements required by DEAC standards.

#### **Part Three: Standards of Accreditation, Section XI Financial Responsibility**

##### **B. FINANCIAL MANAGEMENT**

Individuals 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 finances are properly managed, monitored, and protected. Adequate safeguards prevent unauthorized access to online and on-site financial information.

##### **C. FINANCIAL STABILITY AND SUSTAINABILITY**

The institution maintains adequate administrative staff and other resources to operate effectively as a going concern and is not exposed to undue or insurmountable risk. Any risk that exists is adequately monitored, manageable, and insured. In the event the financial operations of the institution are supported by a parent company or a third party, audited or reviewed financial statements are provided by the supporting entity to demonstrate that the supporting entity possesses sufficient financial

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<sup>1</sup> This location is pending approval from DEAC. The institution has submitted a change of location application –part one which is currently under review by DEAC.

resources to provide the institution continued financial sustainability, as well as the commitment to do so.

#### D. FINANCIAL REPORTING

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.

1. The institution's financial statements reflect sufficient liquid assets to provide for a staff and faculty.

#### E. DEMONSTRATED OPERATIONS

In all respects, the institution documents continuous sound and ethical operations, including the necessary resources to accommodate demand and assure all learners receive a quality educational experience. 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 abuse of consumers.