

June 1, 2021

Lindsey Perry
Auditor General
2910 N. 44th Street
Phoenix, AZ 85018

Re: Arizona Board of Regents – Sunset Factors

Dear General Perry:

On behalf of the Arizona Board of Regents, I am pleased to respond to the audit report, Arizona Board of Regents – Sunset Factors. We appreciate your audit team for their utmost professionalism and integrity in reviewing our practices. The findings are thoughtful and represent years of collaborative work.

The findings are agreed to, and the audit recommendations will be implemented.

As the regents work to implement the findings, we look forward to upcoming review process. We are constantly looking for ways to improve and appreciate your help in that endeavor.

Sincerely,

John Arnold

REGENTS

Chair Larry E. Penley

Nikhil Dave ♦ Fred DuVal ♦ Kathryn Hackett King ♦ Lyndel Manson ♦ Cecilia Mata

Bill Ridenour ♦ Karrin Taylor Robson ♦ Anthony Rusk ♦ Ron Shoopman

Governor Doug Ducey ♦ Superintendent of Public Instruction Kathy Hoffman

Executive Director John Arnold

Sunset Factor 2: The extent to which ABOR has met its statutory objective and purpose and the efficiency with which it has operated.

Recommendation 1: ABOR should develop a process for regularly reviewing the significant risks identified by the universities, including receiving and reviewing information on the universities' plans for mitigating or minimizing significant risks and the effectiveness of those plans, and evaluating the universities' preparedness to respond to significant risks.

ABOR response: The finding of the Auditor General is agreed to and the audit recommendation will be implemented.

Recommendation 2: ABOR should complete development of and implement its policy review process to assess its policies for continued relevance and effectiveness.

ABOR response: The finding of the Auditor General is agreed to and the audit recommendation will be implemented.

Sunset Factor 3: The extent to which ABOR serves the entire State rather than specific interests.

Recommendation 3: ABOR should follow its revised conflict-of-interest process that requires its staff to annually file a disclosure statement.

ABOR response: The finding of the Auditor General is agreed to and the audit recommendation will be implemented.

Recommendation 4: ABOR should revise its conflict-of-interest disclosure statement form to require staff to disclose outside employment that conflicts with their official duties.

ABOR response: The finding of the Auditor General is agreed to and the audit recommendation will be implemented.

Recommendation 5: ABOR should provide its conflict-of-interest training annually to all staff and Board members.

ABOR response: The finding of the Auditor General is agreed to and the audit recommendation will be implemented.