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Office
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Auditor General

PERFORMANCE AUDIT

ARIZONA
BOARD OF REGENTS

The Joint Legislative Audit Committee

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STATE OF ARIZONA
OFFICE OF THE
AUDITOR GENERAL

September 27, 2001

Members of the Arizona Legislature

The Honorable Jane Dee Hull, Governor

Dr. Linda J. Blessing, Executive Director
Arizona Board of Regents

Transmitted herewith is a report of the Auditor General, A Performance Audit of the Arizona Board of Regents. This report is in response to a June 16, 1999, resolution of the Joint Legislative Audit Committee. The performance audit was conducted as part of the Sunset review set forth in A.R.S. §41-2951 et seq. I am also transmitting with this report a copy of the Report Highlights for this audit to provide a quick summary for your convenience.

As outlined in its response, the Arizona Board of Regents agrees with the findings and recommendations.
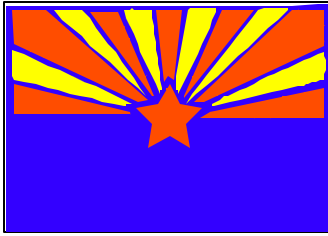
My staff and I will be pleased to discuss or clarify items in the report.

This report will be released to the public on September 28, 2001.

Sincerely,

Debra K. Davenport
Auditor General

Enclosure

Arizona Board of Regents
Governance Program

Services: The Board's largest program, the Governance Program, provides the following services[1]: **1) *strategic planning*; 2) *financial policy and oversight,*** including review and analysis of tuition and university budgets; **3) *capital development analysis***; **4) *administration of several assistance programs*; 5) *coordination of compensation and benefits packages*** for the university system and Equal Employment Opportunity and affirmative action efforts; **6) *coordination and recommendations on academic requirements and standards*; 7) *conducting internal audits of the universities*; 8) *reviewing public outreach strategies for the Board,*** and **9) *participation in public meetings***.

Revenue: $11.5 million
(fiscal year 2001)
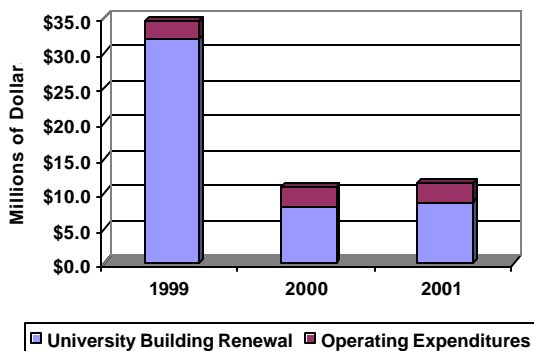
[1] In fiscal years 1999–2001, the Board also received approximately $500,000 in funding from the universities to help support the Board's Central office.

Personnel: 35 full-time staff
(fiscal year 2001)

Administrative
(5.6)

Clerical Staff
(7)

Professional Staff
(22.4)

Facilities:

The Board owns no facilities. It leases space for its central office located at 2020 N. Central Avenue, in Phoenix. Board meetings are held on a rotating basis at each of the three state universities.

Equipment:

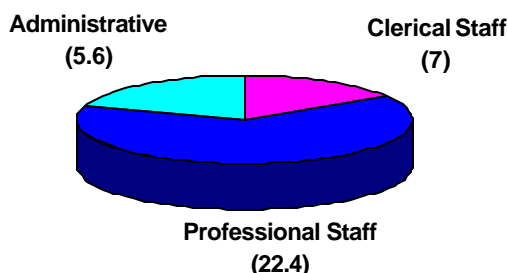The Board owns only standard office equipment.

Governance Program Mission:

"To assist the Board and the universities in setting policy and establishing planning criteria for the Arizona University System and in overseeing and evaluating fiscal and programmatic areas."

[1] The Board of Regents also has a Financial Assistance Program that administers two programs that benefit students and teachers.

Governance Program Goals (fiscal years 2001-2003):

1. To assist the Board in making well-informed policy decisions.
2. To communicate with universities and their constituents and stakeholders on Board policies and initiatives.

Adequacy of Goals and Performance Measures:

The Governance Program's two goals appear to be appropriate for its mission, and it has established seven performance measures that correlate to its goals. A review of the Board's performance measures indicates that the Board has established only outputs or outcomes as performance measures. Therefore, the Board should:

- Establish input measures. Input measures indicate the amount of resources needed to provide a particular product or service, such as the number of Board staff working on specific policy initiatives or overseeing university functions, or the number of hours the Board devotes to a particular project.

- Establish efficiency measures. Efficiency measures reflect the cost of providing a program or service, such as the length of time the Board takes to implement a policy initiative or oversee a university function, or the cost of a Board internal audit.

- Establish quality measures. Quality measures emphasize reliability or responsiveness to the customer or stakeholder, such as ensuring taxpayer money is used most effectively throughout the university capital development process or the number of seven-year academic program reviews conducted by the universities to ensure program quality.

SUMMARY

The Office of the Auditor General has conducted a performance audit and Sunset review of the Arizona Board of Regents (Board) pursuant to a June 16, 1999, resolution of the Joint Legislative Audit Committee. This audit was conducted as part of the Sunset review set forth in A.R.S. §41-1951 et seq.

The Arizona Board of Regents is charged with the responsibility of governing the State's university system. Article XI of the Arizona Constitution created the Board and provides it with general authority to supervise and control the State's universities. Statutes establish more specific powers and duties, including setting tuition rates and admission requirements, and overseeing university operations, including reviewing requests for capital projects and operating budgets.

Board Has Made Progress in Addressing Policy Issues (See pages 9 through 13)

The Board has made considerable progress in addressing policy issues since a 1991 Auditor General performance audit (see Report No. 91-9), but should make some decisions regarding issues raised in recent statewide planning efforts. After the 1991 audit, the Board sought statutory authority to delegate more responsibilities to the universities. The Legislature's 1992 amendment to A.R.S. §15-1626 permitted the Board to focus more attention on policy issues instead of operational details. As a result, the Board has been able to attend to such issues as faculty tenure, patents and other intellectual property deriving from faculty research, improving the undergraduate student experience, and planning and managing capital assets.

The Board participated in two statewide education initiatives, the 2000 Arizona Town Hall and the 1999-2000 Governor's Task Force on Higher Education. These groups made numerous recommendations regarding higher education in Arizona. As the State's policy-setting body for the public university system, the

Board should take the lead on some of these suggestions. While some action has been taken to identify and implement a number of key recommendations from each of these reports, the Board has not systematically reviewed each of these recommendations to determine which ones it will adopt. Once it has identified which recommendations it should adopt, the Board should prioritize them and either implement them or delegate them to the universities.

Board Should Strengthen Oversight of Information Technology (See pages 15 through 18)

Although the Board has established reasonably extensive oversight practices with respect to university functions such as capital projects and accountability for undergraduate education, it should strengthen its oversight of information technology projects. The Board has not established a process to adequately oversee such projects which can cost several million dollars. Unlike other state agencies, the universities do not have to submit their information technology projects to the Government Information Technology Agency (GITA) for review. The Board has delegated IT project review to the Council of Presidents, a body comprising the three university presidents and the Board's executive director. The Board receives only an annual list of projects costing over $1 million, without any information detailing the need or justification for such projects. To better ensure that university IT projects are appropriately planned and coordinated, the Board should establish a review process that is substantially equivalent to GITA's process. This process should include a review of factors such as development costs and operating costs, proposed technology, major deliverables, other alternatives considered, and benefits to be achieved.

Board Should Continue
Its Progress in Developing
Arizona Regents University
(See pages 19 through 24)

The Board has made significant progress establishing its new distance-learning program, Arizona Regents University (ARU), and will need to address additional issues as it continues to move the program forward. The Board intends ARU to increase university access by offering courses and degrees online from the three universities. The Board has already made several strategic decisions regarding ARU's overall scope, its degrees, and its target population. For example, it has initially allocated $2 million annually for ARU from the Proposition 301 initiative for education and workforce development. Additionally, it conducted a statewide survey of employers and potential students to assess the demand for distance-learning education. Finally, it has determined that ARU will initially offer degrees in three areas: engineering, nursing, and education.

Although the Board has addressed several strategic issues relating to ARU, it will need to address some additional issues as it continues to implement the program. For example, the Board needs to conduct additional research on the demand for ARU's programs, such as the groups who would likely enroll in ARU's programs. Additionally, although the Board has decided to initially offer degrees in engineering, nursing, and education, it will need to decide whether ARU will offer degrees in other areas.

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TABLE OF CONTENTS

TABLE OF CONTENTS (Concl'd)

INTRODUCTION AND BACKGROUND

The Office of the Auditor General has conducted a performance audit and Sunset review of the Arizona Board of Regents' Governance Program pursuant to a June 16, 1999, resolution of the Joint Legislative Audit Committee. This audit is conducted under the authority vested in the Auditor General by A.R.S. §41-2951 et seq.

Board Responsibilities

The Arizona Board of Regents (Board) is responsible for governing the State's university system. Article XI of the Arizona Constitution created the Board, and statutes provide it with general authority to supervise and control the State's universities.

The Board is divided into two programs: Governance and Financial Assistance. The Board's largest program, the Governance Program, is responsible for the majority of the Board's activities and has as its mission:

> "*To assist the Board and the universities in setting policy and establishing planning criteria for the Arizona University System and in overseeing and evaluating fiscal and programmatic areas.*"

The Financial Assistance Program administers two programs: the Western Interstate Commission on Higher Education (WICHE), which supports students who choose careers in areas not offered by Arizona's state universities, and the federally funded Eisenhower Grants, which support projects for teachers in elementary and secondary math and science education. Because the WICHE program was reviewed by the Auditor General's Office in 1997 (see Report No. 97-8), this audit did not review the Financial Assistance Program.

State statutes (A.R.S. §15-1621 et seq) establish the Board's more specific powers and duties. Under this authority, the Board is involved in such activities as:

■ Setting tuition rates and admission requirements;

■ Establishing curricula and designating courses which will best serve the interests of the State;

■ Establishing policy initiatives for the universities, such as implementing new personnel policies related to faculty tenure and research; and

■ Providing oversight to some university operations, such as reviewing their requests for capital improvement projects and operating budgets.

Arizona's State Universities

The State's three universities are as follows:

■ **Arizona State University (ASU)**—The main ASU campus is in Tempe. Additionally, there are two ASU branches in Maricopa County— ASU West in Phoenix and ASU East in Mesa. ASU also operates the ASU Downtown Center in central Phoenix. As of spring 2001,

Photo 1:   ASU Old Main

there were approximately 48,000 full- and part-time students attending the ASU campuses for a broad range of baccalaureate through doctoral programs.

2

■ **University of Arizona (UA)**—The main UA campus is in Tucson and its branches include the Arizona International College, a liberal arts college, and a branch campus in Sierra Vista. As of spring 2001, approximately 32,000 full- and part-time students were attending UA campuses for a broad range of baccalaureate through doctoral programs.

Photo 2: University of Arizona Mall
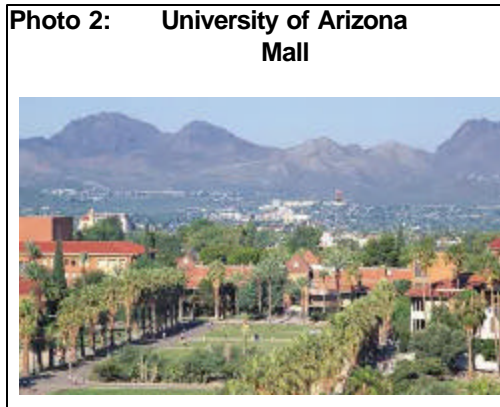
■ **Northern Arizona University (NAU)**—The main NAU campus is in Flagstaff, with additional NAU sites located in Yuma, Kingman, Prescott, and 25 other sites located throughout the State. As of spring 2001, approximately 19,000 full- and part-time students were attending NAU campuses for a broad range of baccalaureate through master's programs, and several doctoral programs.

Photo 3: Northern Arizona University Campus at Night
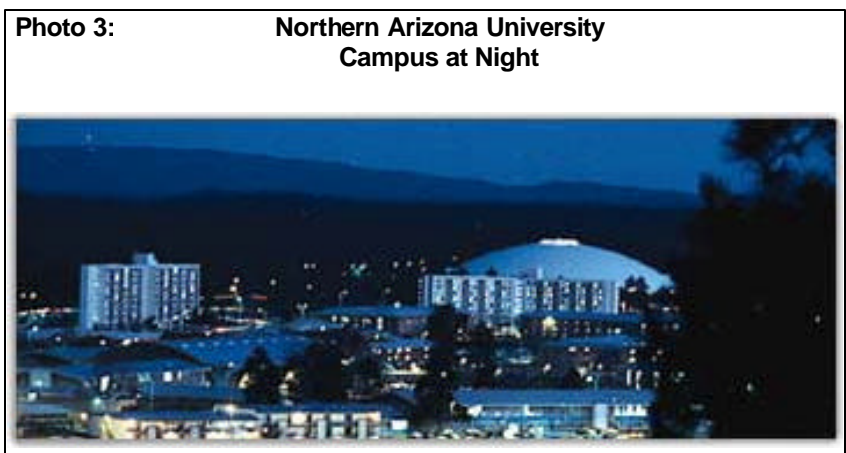
Organization, Staffing, and Budget

The Board has 12 members, including the Governor and the Superintendent of Public Instruction, who serve as ex-officio members. The Governor appoints the remaining members, including 2 student representatives. With the exception of the student representatives, each appointed member of the Board serves an

eight-year term. Until 2001, the Board had only one student member, who served a one-year term. A.R.S. §15-1621, passed in 2000, added a second student representative and established a two-year term for each one. During the first year of the two-year term, a student representative has no voting rights, but may vote during the second year. Student representation rotates among the three universities.

The Board has one office located in Phoenix. An executive director heads the staff, and the office is authorized 34 additional full-time equivalent staff: 5.6 administrative personnel, 22.4 professional personnel, and 7 clerical personnel. The Board also has its own legal counsel, who advises the Board on legal matters.

Board staff provides technical assistance to the universities in the areas of budget preparation and academic requirements and standards. The Board also has established the Council of Presidents, which comprises the presidents of the three state universities and the Board of Regents' executive director. Finally, the Board has established several committees composed of Board members appointed by the president. These committees make recommendations to the Board in such areas as strategic planning and public awareness.

The Legislature appropriates monies to the Board from the State's General Fund. As illustrated in Table 1 (see page 5), the Board received approximately $11.5 million in revenue for fiscal year 2001, including $8.8 million for university building renewal programs. Approximately $11 million of the Board's revenue was General Fund appropriations.

Audit Scope and Methodology

Audit work focused on the Board's performance in two main areas: addressing policy initiatives and overseeing certain university functions. Both of these areas were addressed in the Auditor General's last performance audit report of the Board, which was issued in 1991 (Report No. 91-9). Since the 1991 audit, the Board has made improvements in both areas, but can make further improvements. This audit contains three findings and recommendations related to these policy and oversight responsibilities:

4

Table 1

Arizona Board of Regents
Governance Program
Statement of Revenues, Expenditures, and Changes in Fund Balance [1]
Years Ended June 30, 1999, 2000, and 2001
(In Thousands)
(Unaudited)

	1999	2000	2001
Revenues:			
General Fund Appropriations:			
Operating	$ 2,065.8	$ 2,102.2	$ 2,143.8
University building renewal [2]	32,031.7	8,128.1	8,804.6
Funding from state universities [3]	500.1	549.1	530.2
Total revenues	34,597.6	10,779.4	11,478.6
Expenditures:			
Personal services	1,616.6	1,695.6	1,720.3
Employee-related	295.7	304.8	305.2
Professional and outside services	56.6	107.7	55.2
Travel, in-state	44.2	34.5	46.8
Travel, out-of-state	23.2	12.4	15.7
Other operating	424.1	457.3	462.9
Equipment	58.3	41.4	70.7
University maintenance and repair [2]	32,031.7	8,128.1	8,804.6
Total expenditures	34,550.4	10,781.8	11,481.4
Excess of revenues over (under) expenditures	47.2	(2.4)	(2.8)
Fund balance, beginning of year	313.1	360.3	357.9
Fund balance, end of year	$ 360.3	$ 357.9	$ 355.1

[1] Excludes financial activity of the universities' land-related trust accounts. In accordance with A.R.S. §15-1662, the Board maintains various trust accounts for monies from the lease, sale, or other disposition of donated lands or property. The principal must be held intact, but rental and interest earnings are distributed to the universities.

[2] Amounts are appropriated to the Board to manage and distribute monies for major university building maintenance and repair.

[3] Amount received from the universities to help support the Board's central office.

Source: Auditor General staff analysis of the Arizona Financial Information System (AFIS) *Accounting Event Extract File,* AFIS *Status of Appropriations and Expenditures* report, and the Board's schedule of nonappropriated revenues and expenditures for the years ended June 30, 1999, 2000, and 2001.

■ Although the Board has made considerable progress in addressing policy issues, it should decide how to address recommendations from two recent statewide planning efforts;

■ While the Board has reasonably extensive oversight procedures regarding university functions, such as capital projects and accountability for undergraduate education, it can strengthen its oversight of the universities' information technology projects; and

■ The Board has made significant progress in implementing its distance-learning initiative, Arizona Regents University, and should continue to address additional planning issues to ensure its success.

This audit used a variety of methods to study the issues presented. Specifically:

■ To determine whether the Board effectively identifies and prioritizes policy initiatives arising from two recent statewide education planning efforts, auditors reviewed information on selected policy initiatives from Board meeting minutes and agenda materials, Board policy manual sections, Board and task force reports, and committee notes. Auditors also interviewed eight current and three former Board members, Board staff and university officials, and the chairs of two external task forces.

■ To evaluate whether the Board has established adequate oversight over certain university areas, auditors reviewed and analyzed reports that Board members use to monitor and assess university performance, and interviewed current and former Board members, management, staff, university officials, and other interested parties. Auditors also reviewed statutes, rules, policies, and procedures, including those pertinent to the universities' capital improvement and information technology projects. Additionally, auditors attended Board study sessions and meetings, and reviewed meeting minutes and the Board's Web site.

■ To evaluate the process the Board made in planning and implementing the Arizona Regents University (ARU), auditors

OFFICE OF THE AUDITOR GENERAL

reviewed articles and studies on distance-learning programs, Board research on ARU, and Board meeting minutes and agenda materials. Additionally, the team interviewed Board members, staff, and university officials involved with ARU as well as administrators from other distance-learning programs, including Kentucky's Virtual University and the Texas and Georgia university system programs. Auditors also attended two ARU committee meetings and a tri-university workshop on ARU planning.

This audit was conducted in accordance with government auditing standards.

The Auditor General and staff express appreciation to the Board of Regents, its executive director, and staff for their cooperation and assistance throughout the audit.

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FINDING I

BOARD HAS MADE PROGRESS IN ADDRESSING POLICY ISSUES

The Board has improved its ability to address policy issues.

The Board has made considerable strides in its ability to address policy-related issues, but should make decisions on ideas raised in two statewide planning initiatives. Since the last performance audit ten years ago (Report No. 91-9), the Board has focused much more of its attention on policy matters. As a result, it now plays a much greater role in setting direction on such matters as faculty tenure and research, undergraduate education, and capital projects at the three state universities. The Board participated in two recent statewide education planning efforts, and should now identify and prioritize which recommendations it or the universities should implement.

Prior Audit Found That Board Focused on Operations

The 1991 performance audit of the Board found that it focused too much attention on operational details and too little on policy issues. That audit also found that the Board needed to reduce the operational items on its agenda and devote more attention to strategic and policy issues, such as enrollment management, funding for universities, and implementation of branch campuses. To allow the Board to focus more on policy areas, the audit recommended that it seek statutory authority to delegate some responsibilities to the universities and its central office. In 1992, through an amendment to A.R.S. §15-1626, the Legislature provided the Board with statutory authority to delegate responsibility for some governance and administrative functions to the universities and Board staff.

Board Has Addressed
Many Policy Issues

Much has changed since the 1991 audit. The Board has focused much more of its attention on policy issues related to faculty, students, and capital resources.

■ **Faculty tenure and research**—The Board has implemented new faculty personnel policies related to tenure and research. For example, the Board implemented a process to review faculty who have already received tenure. As a result, tenured faculty who receive unsatisfactory performance evaluations must now develop a plan for improvement and may be subject to dismissal if they do not complete it. Additionally, the Board amended its policy regarding patents in 1999 to approve a new, comprehensive policy framework for the transfer of intellectual property to industry. Unlike the old policy, which covered only patents, the new policy covers the transfer of all forms of intellectual property, including patents, copyrights, and other discoveries with potential commercial value.

The Board has made it easier to transfer courses from community colleges to the universities.

■ **Quality of undergraduate education**—The Board has been active in policies designed to improve the undergraduate student experience. For example, the Board implemented a new course-transfer agreement in 1999 in partnership with the State Board of Directors for Community Colleges. As a result, community college students could transfer to the universities entire 35 credit-hour blocks of general education courses and 3 system-wide community college degrees. Also, with Regent and faculty leadership, the Board identified promoting learner-centered education as a strategic direction for the university system. According to the Board, the learner-centered approach emphasizes that people learn in different ways, and provides students with more opportunities to work in groups, conduct individual student research, use online coursework, and obtain field experiences in addition to attending classroom lectures. To measure the universities' progress toward meeting learner-centered education goals, the Board now requires the universities to establish learner-centered outcome measures for all new academic programs.

■ **Capital asset planning and management**—The Board has also approved and implemented many changes related to capital assets. Many of these changes stemmed from recommendations made by a 1997 private sector task force, the Committee for External Review of Capital Assets (DeMichele Committee). For example, under the Board's direction, the universities now report all sources of funding for their capital improvement plans, including state appropriations, tuition, and other sources; have adopted guidelines to ensure classroom space is efficiently used; and have established space committees to review space issues on an ongoing basis. The Board also approved a policy change to streamline steps in its process for reviewing university capital projects.

■ **Board has participated in state-level education initiatives**—The Board has taken some steps to become involved with recent state-level education initiatives. Board staff provided assistance with the 2000 Arizona Town Hall Report, which proposed several recommendations to improve higher education policy in the State. Two Regents represented the Board on the 1999-2000 Governor's Task Force on Higher Education, which developed proposals on meeting higher education needs, improving teacher preparation, and maximizing the State's economic development potential. Finally, after the passage of the sales tax initiative, Proposition 301, in 2000, the Board developed a plan to allocate funding to the universities for a variety of technology, research, and workforce development programs.

Board Should Address Additional Important Issues

While the Board has made considerable progress in pursuing many policy initiatives, it still needs to determine which policy issues to pursue from two recent statewide planning efforts. The Board devoted significant staff resources to both the 1999-2000 Governor's Task Force on Higher Education and the 2000 Arizona Town Hall. In addition, four regents and the executive director served as members of the Town Hall, and two other regents were members of the Task Force. Both groups examined

the status of higher education in Arizona, and developed numerous recommendations for improvement. For example:

- The Task Force made 32 recommendations including redirecting some baccalaureate-seeking students to the community colleges, encouraging collaboration between the university and community college systems to expand teacher certification programs, and developing an articulated master plan for public education.

- The Town Hall summarized its many recommendations into six key ideas, including integrating a liberal arts education with preparing students for a technology-based economy, balancing financial support between the student and the public, and encouraging collaboration among educational institutions.

Both the Task Force and the Town Hall pointed to evidence indicating a need for action along several fronts. For example, Arizona ranks 47th in the country in the number of students who enroll in college. In addition, the State is experiencing a severe shortage of teachers. While the Board of Regents alone cannot resolve the State's education system problems, the Board can take the lead in some areas and collaborate with the State's other two education governing boards in others. For example, it could work with the other boards to identify a process for developing a master plan for public education, as recommended by both the Town Hall and the Task Force.

As the policy-setting body for the State's public university system, the Board is the appropriate body to make decisions and take the lead in acting on several of these recommendations. However, while action has been taken to identify and implement a number of key recommendations from each of these reports, the Board has not systematically reviewed each of these recommendations to determine which ones it will adopt. Once it has done so, it should prioritize them in order to focus its efforts on the issues that most require its attention, then implement them or delegate them to the universities.

OFFICE OF THE AUDITOR GENERAL

Recommendations

1. The Board should identify which recommendations from the Governor's Task Force in Higher Education and the Arizona Town Hall would be appropriate for it to adopt.

2. The Board should then prioritize the recommendations and implement them or delegate them to the universities.

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FINDING II

BOARD SHOULD STRENGTHEN OVERSIGHT OF INFORMATION TECHNOLOGY

Board oversight of information technology projects is virtually nonexistent.

The Board's oversight of university information technology projects can be improved. It has reasonably extensive oversight procedures with respect to universities' capital improvement projects, and performance measures in undergraduate education. However, oversight of the universities' information technology projects is virtually nonexistent. This is a particular concern because these projects are not subject to the reviews other state information technology projects normally undergo.

Board Performs Some Oversight

The Board has established a reasonably extensive degree of oversight over some university functions. Specifically:

■ **Board oversees capital projects**—The Board has a process to exercise oversight over the universities' new construction, building renovation, and infrastructure projects, and continues to re-examine and improve it. Specifically, Board policy requires it to review every university capital development project with an estimated total project cost of $1 million or more. Recent projects include a

Photo 4: **University of Arizona Student Memorial Union Kiva Under Construction**

student union and bookstore renovation project at UA with an estimated total cost of about $60 million, and a social sciences building with computer-ready classrooms at ASU

with an estimated cost of $58.7 million. The Board follows a systematic process for reviewing and approving such projects. Board review is required three times: at project initiation, where the Board focuses on the strategic planning perspective for the proposed project; at conceptual approval, where the Board reviews the project scope, schedule, and budget; and at project approval, where the Board reviews the completed design and construction documents. The Board requires the universities to provide additional justification for some projects. For example, at project initiation of the Sixth Street parking and office building at UA, the Board directed UA officials to provide further information regarding the need for office space to be allocated to administrative staff before the project was approved at the conceptual approval phase.

■ **Board monitors university performance indicators**—The Board has also developed a system of accountability measures that establish oversight over the universities' undergraduate education performance. The Undergraduate Consolidated Accountability Report (UCAR), implemented by the Board in 2000, contains 23 common performance measures to annually assess the universities' progress toward the Board's goal of improving the quality of undergraduate education at Arizona's three public universities. For example, the UCAR measures class size, retention and graduation rates, and student contact with faculty. The Board holds the universities accountable for their performance in these areas by requiring each university president to explain in writing why performance declined or goals were not met, and to submit a corrective action plan. The UCAR replaced three previous reports and was designed to consolidate and streamline the undergraduate reporting process, while still maintaining an appropriate level of accountability.

Information Technology Projects Lack Board Oversight

The Board has not established its own oversight for the universities' information technology (IT) projects. Rather, the Board has

delegated most oversight to the universities. In contrast, most other state agencies are required to submit their IT projects through the Government Information Technology Agency (GITA), which reviews and approves them. To ensure better oversight, the Board should establish a review and approval process for university IT projects that is substantially equivalent to GITA's process.

University IT projects do not receive Board review—The Board has delegated to the universities most oversight for their IT projects, which can cost several million dollars. For example, the full installation of NAU's new Student Information System is expected to cost over $8 million between fiscal years 2001 and 2004 and UA's equivalent will cost approximately $13.5 million during the same time period. University administrators approve projects costing up to $1 million, and the Council of Presidents, a body composed of the three university presidents and the Board's executive director, approves projects costing over $1 million. The Board receives only a brief annual report, prepared by the universities, which includes a listing of projects costing over $1 million.

GITA reviews other agencies' IT projects—In contrast, most state agencies are required to submit proposed IT projects to GITA, which examines the details and need associated with the projects. These other agencies must submit an extensive proposal to GITA, including a detailed description of the project with all estimated development and operating costs, proposed technology, major deliverables, other alternatives considered, and benefits to the agency and the State. GITA staff review the proposals to ensure that they meet state IT standards, and send them back to the agency if additional information or clarification is needed. GITA's review process benefits the State by providing agencies with technical assistance and guidance regarding proposed IT projects, and helping to ensure that the State's IT resources are developed and procured appropriately.

Board should establish oversight for IT projects—The Board should design and implement a review and approval process for university IT projects that is substantially equivalent to GITA's. In designing such a process, the Board should identify the information it will require universities to submit, such as the in-

formation GITA requires agencies to provide in their IT proposals. The Board should ensure that this information corresponds to the factors it considers important in considering whether or not to approve an IT project. The Board should also determine which projects should undergo this review process. For example, A.R.S. §31-3504 requires GITA to review all projects that cost more than $25,000.[1] Further, the Board should establish a mechanism and timetable for university submission of projects and Board review of these projects. For example, GITA uses a standard statewide document called the Project and Investment Justification, which includes instructions and forms for information to be submitted, describes the procedures including the time allowed for review, and explains criteria used in making decisions to approve or reject projects.

Recommendations

1. The Board should design and implement an oversight process for university information technology projects that includes a review of the need or justification for such projects. To do this, the Board should:

    a. Identify the information it will require universities to submit including such things as development costs, operating costs, proposed technology, major deliverables, other alternatives considered, and benefits to be achieved;

    b. Determine which projects should be submitted to the centralized oversight process, such as all projects expected to cost more than a specified dollar amount; and

    c. Develop a mechanism and timetable for university submission and Board review of the projects.

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[1] For projects over $1 million, GITA reviews the project proposals and makes recommendations to the State's Information Technology Authorization Committee, which approves or disapproves them.

18

FINDING III
BOARD SHOULD CONTINUE ITS PROGRESS IN DEVELOPING ARIZONA REGENTS UNIVERSITY

Although it has made significant progress developing its new distance-learning program, Arizona Regents University (ARU), the Board will need to address some additional issues as ARU moves forward. ARU was designed to increase university access by offering online courses and degrees from the three universities. The experience of other distance-learning efforts throughout the nation indicates that the success of such efforts rests on careful planning, such as clearly identifying target groups and their demand for the program. Success also requires careful strategies to address resource and logistical issues, such as institutional resistance to changing traditional patterns of delivering educational services to students. The Board has already addressed many of these issues, but will need to address others, such as identifying the groups most likely to enroll in ARU, building support from the three universities, and deciding whether and how much to expand it past its initial course and program offerings.

ARU Is Board's Effort to Address Distance Learning

The proliferation of Internet applications in the 1990s brought a major change to the delivery of higher education—online distance learning. Under this approach, students can take courses from their homes or from other sites away from the classroom. A recent study indicates that by 1998, an estimated 78 percent of all U.S. public universities were offering Internet courses. Such courses include those that are part of degree programs, as well as individual miscellaneous courses. In many cases, the Internet

services available go beyond coursework to include noninstructional services, such as advising students and registering them for classes.

While much of this distance-learning activity centered on individual colleges and universities, some states also launched programs to coordinate distance-learning efforts on a system-wide basis. ARU is one of these system-wide responses. Initially discussed by the university presidents in 1999 and approved by the Board as an initiative in 2001, ARU is the Board's plan to offer online courses and degrees to students who might not be able to attend a class in person due to scheduling or location constraints.

Board Has Made Significant Progress on ARU

The Board has made several strategic decisions to establish the overall structure of ARU, its degrees, and its primary target population. For example, as of spring 2001, it had already determined the program model for ARU and the fields in which ARU would provide degrees, and conducted some research on demand and need.

Board has made decisions on program scope—The Board has determined how degrees will be awarded for ARU courses, planned for initial resources, and developed a strategy for course development. Following the example of other states, such as Kentucky, Florida, Georgia, and Texas, the Board has decided to use a home university approach. Such an approach means that each student will be admitted to one of the three universities and receive services such as financial aid and advising, as well as his or her degree upon completing the program, from that university. Additionally, the Board has allocated a minimum of $2 million annually for ARU from the Proposition 301 initiative for education and workforce development. Finally, the Board has decided to use some of this funding to award grants to the three universities for development and delivery of ARU programs and courses.

OFFICE OF THE AUDITOR GENERAL

Board has defined degrees to be offered and determined the target population—The Board has also conducted some research on the demand and need for ARU, determined the initial degrees to be offered, and broadly established the program's target population. Specifically:

- A Board-commissioned survey in 1998 of 120 employers and 551 potential students assessed the demand for technology-delivered education and specific education program areas.

- The Board has also reviewed an October 2000 market demand study of potential students conducted by a consultant employed by NAU. The study assessed student interest in taking courses via the Internet and other technology and in several program areas such as engineering, education, health professions, and business.

- In 2001, the Board received the results of a consultant survey of 24 leaders in business, government, and higher education to get their feedback on the current plans and next steps for ARU. The survey indicated there was agreement that it was important to implement ARU.

The Board has used this research, together with recommendations by the Governor's Task Force on Higher Education and direction provided by Proposition 301, to help it decide on its initial program offerings. As a result, it plans to offer degrees in three areas of critical workforce need in the State: engineering, teacher education, and nursing. The Board has also identified its target student population as the citizens of the State of Arizona.

Board is working to resolve logistical issues—In addition to determining ARU's scope, degrees, and target population, the Board has begun to address a number of procedural issues, such as tuition distribution, delivery of student services, and course transfer agreements. For example, the Board asked the universities to have key staff develop a plan for distributing tuition income from ARU courses between participating universities. Additionally, university staff are studying strategies to implement student services such as registration and advisement. Addressing these issues is challenging for two reasons. First, these services will need to be delivered online for the first time. Second,

because the universities use different student information systems, it is more difficult for advisors to obtain comprehensive information, such as student grades. Finally, at the Board's direction, the universities are developing course transfer agreements, similar to existing agreements between the universities and the community college system. This will allow students to transfer ARU courses between the universities.

Board Needs to Address Additional Issues as ARU Moves Forward

Although the Board has already addressed several strategic issues, it will need to address some others as it continues to implement ARU. For example, the Board has not obtained information about how its potential target groups might differ in interest. Additionally, the Board must continue to strive to overcome some university resistance, a common obstacle for distance-learning programs. Finally, the Board will also need to decide how much it plans to expand degree and course offerings.

Board needs to continue to address some questions concerning demand—Although the Board has conducted some research concerning demand for distance-learning programs, it should continue to obtain information about student demand for these programs. For example, the 1998 survey commissioned by the Board found that potential students had the most interest in the areas of computers and technology, education, business, and nursing, and the majority had access to computers at home or work. However, questions remained about the level of demand and need for distance learning. The survey results showed that only 28 percent of the 551 individuals contacted indicated that they wished to obtain further education. Also, those indicating they wanted more education expressed more interest in classroom learning or instructional television than in Internet-based courses. Moreover, business and government leaders in the 2001 survey for the Board indicated that the Board should conduct additional needs assessment research, which should also consider existing programs offered by the universities, community colleges, or private providers.

OFFICE OF THE AUDITOR GENERAL

In addition, the Board needs to do more research to identify the groups who will likely enroll in these programs, such as working adults, traditional college-age students, or people living in remote areas of the State. The experience of other states indicates that it is useful to obtain information about demand by different groups. For example, Kentucky's distance-learning program mission is to serve citizens by encouraging more enrollment in higher education, but it has estimated that 80 percent of students in the program were already enrolled on a university campus. Additionally, research studies commissioned by the Georgia and Texas university system distance-learning programs have identified several different groups of potential students with differing levels of interest in enrollment. For example, Georgia found that rural dwellers had the lowest interest in the program.

Board should continue striving for university support—Similar to other university systems that have developed distance-learning programs, the Board has found that university support is essential. Since faculty determine curriculums and develop courses, faculty support is critical to success. However, some university administrators and faculty have expressed reluctance to implement distance learning for a variety of reasons, such as program expense, and the view that it is better for students to take in-person courses on campus. These concerns contributed to a slow pace for planning when the Board asked the universities to develop plans for ARU in 1999. Subsequently, the Regents took a more active hand in planning ARU. They hired a consultant in 2000 to help them, and directed the universities to form a work group in 2001 of key university officials to carry out specific planning activities. The work group has helped to draw in more involvement from the universities. However, according to other states' programs and research studies, university resistance to distance learning is a problem that can continue for several years and requires continuous attention.

Board needs to consider how much it wants to expand ARU—Although the Board has made progress in its plans to offer degrees in engineering, nursing, and education, it will need to make decisions on other programs or courses it may wish to offer in the future. For example, it will need to determine whether it will offer other undergraduate and graduate programs and whether to provide general education courses through ARU.

OFFICE OF THE AUDITOR GENERAL

Even in the three areas already identified, the Board needs to decide whether to offer an entire degree program or limit its offerings to specific courses.

Recommendations

1. The Board needs to conduct additional research on the demand for ARU's programs. As part of this research, it should identify the groups who would likely enroll in ARU's programs.

2. The Board needs to continue to strive to obtain university support for ARU.

3. As part of its long-term planning, the Board needs to consider how it wants to expand ARU programs.

OFFICE OF THE AUDITOR GENERAL

SUNSET FACTORS

In accordance with Arizona Revised Statutes (A.R.S.) §41-2954, the Legislature should consider the following 12 Factors in determining whether the Board of Regents should be continued or terminated.

1. **The objective and purpose in establishing the Board.**

    The Arizona Board of Regents (Board) is charged with the responsibility of governing the State's university system. The Arizona Constitution created the Board, and the Legislature vests general authority in the Board to supervise and control the State's universities. Additionally, specific powers and duties of the Board are established by A.R.S. §15-1621 et seq. For example, the Board is charged with overseeing the universities' operating budgets. The Board also makes planning and policy decisions regarding the State's three universities. Additionally, the Board sets tuition rates and admission requirements for the universities. Finally, it reviews and approves the initiation and elimination of academic programs.

    The Arizona Board of Regents' mission is "to ensure access for qualified residents of Arizona to undergraduate and graduate instruction; promote the discovery, application, and dissemination of new knowledge; extend the benefits of university activities to Arizona citizens outside the university; and maximize the return on the State's investment in education."

2. **The effectiveness with which the Board has met its objective and purpose and the efficiency with which it has operated.**

    The Board has improved its effectiveness and efficiency since the 1991 Auditor General's report, but it should take steps to improve further. The Board has improved its

The Board has improved its effectiveness and efficiency.

effectiveness and efficiency by delegating many operational decisions to the universities, which has allowed it to focus more on policy issues related to students, faculty, and capital resources. This audit found that the Board has focused its attention on developing new initiatives, such as implementing a new course transfer agreement with the State Board of Directors for Community Colleges. The Board has also provided effective oversight in some areas, such as systematically reviewing and approving the universities' capital projects.

Although the Board has recently addressed several policy initiatives, it should make decisions regarding some other important ideas. The Board was involved in two recent higher-education planning efforts which made numerous recommendations to improve the State's higher education. For example, the Governor's Task Force on Higher Education recommended that the Board work with the other state education boards education planning. However, the Board has not identified which recommendations it will adopt (see Finding I, pages 9 through 13).

In addition, the Board has not exercised an appropriate level of oversight regarding the universities' information technology projects (see Finding II, pages 15 through 18). The Board does not review and approve university information technology projects, such as student information systems, although these projects can cost several million dollars.

3.   The extent to which the Board has operated within the public interest.

The Board has made significant efforts to provide access to the universities to qualified Arizona students.

The Board demonstrates a commitment to serving the public interest. The Board has made significant efforts to provide access to the universities for qualified Arizona students by maintaining in-state tuition near the lowest levels in the nation. The Board has also worked with the

State Board of Directors of Community Colleges to allow students to transfer a large block of general education requirements from the community colleges to the universities.

Additionally, when it is operational, the Arizona Regents University will provide access to higher education for Arizona citizens whose locations and schedules prevent them from attending the state universities.

4. **The extent to which the rules and regulations promulgated by the Board are consistent with legislative mandate.**

    The Board is not required to have its rules reviewed by the Governor's Regulatory Review Council, but publishes equivalent rules in its Policy Manual. The rules are generally consistent with legislative requirements, but some additional rules are needed and some existing rules should be revised.

    Although A.R.S. §41-1005(D) exempts the Board from review of its rules by the Governor's Regulatory Review Council (GRRC), auditors requested that GRRC, as a knowledgeable resource, help determine whether the Board's rules were sufficient. According to GRRC and the Auditor General's legal counsel, the Board of Regents has made all but one of the required rules. Specifically, the Board should develop rules to establish time frames for the agency to make decisions whether to approve or deny license applications for Arizona State Museum excavation permits as required by A.R.S. §41-1073. Also, Chapter VIII of the Board's Policy Manual should be amended to specifically require that an excavation permit be obtained from the director of the Arizona State Museum to conduct certain types of excavations, such as those involving burial grounds and archeological sites. Finally, Rule 4-310, the Arizona Teacher Loan Forgiveness Incentive Program, is no longer required since its corresponding statute was repealed in 2000.

5. **The extent to which the Board has encouraged input from the public before promulgating its rules and regulations and the extent to which it has informed the public as to its actions and their expected impact on the public.**

The Board of Regents typically allows for public input prior to promulgating new rules or changing existing rules. The Board of Regents Policy Manual requires an opportunity for the public to provide input on any proposed rule, and Board of Regents meetings are open to the public. A proposed rule is first presented at one meeting and no action is taken on the rule until the following meeting. In the intervening time, the public has an opportunity to provide input.

In addition, as required by A.R.S. §15-1626(A)(5), public hearings have been conducted to allow students and the public to address proposed increases in tuition and fees. Specifically, a statewide video-conference is held at all three state universities and several branch campuses. The university presidents, student body presidents, and the Board of Regents attend this forum for the public to voice their opinions about changes in tuition and fees.

Further, contact information for the Board of Regents is available on its Web site at *http://www.abor.asu.edu/,* along with the Policy Manual and agendas for Board meetings. Additionally, the *Regents Recap* newsletter is published on the Web after each Board meeting to provide the public with details of specific Board actions.

Finally, the Board appears to conduct its meetings and executive sessions in compliance with Arizona's Open Meeting Law. However, the Council of Presidents does not appear to comply with the law. The Council of Presidents comprises the three state university presidents and the Board of Regents' executive director. The 1991 Auditor General's report found that the Council of Presidents would not have to comply with the Open Meeting Law if the Board changed its Governance Handbook. However, while the Governance Handbook no longer conveys decision-making authority to the Council, in practice, the

Board has charged the Council with decision-making authority. In 1997, the Board assigned the Council of Presidents responsibility to approve universities' information technology projects involving sums greater than $1 million. The Council has performed this responsibility at two meetings, and this assignment seems to make the Council a public body required to comply with the Open Meeting Law when it performs this function.

6.   The extent to which the Board has been able to investigate and resolve complaints that are within its jurisdiction.

The Board receives written complaints at its office and verbal complaints during the "call to the audience" at Board meetings. The Board assigns a staff member to follow up on complaints that are received via letter or e-mail. It also maintains a log of these complaints and their disposition. Over a two-month period in 2001, 11 items of correspondence were logged. For example, these items included complaints from the public regarding the behavior of some university students.

During the call to the audience, members of the public have an opportunity to address the Board briefly. When complaints surface, the Board does not respond at the same meeting, but a member of the Board or staff will follow up. In early 2001, the number of speakers during the call to the audience ranged from 1 to 15 per meeting, with some making complaints. For example, one individual alleged fiscal misconduct in a university department. The Board followed up by requesting an audit, which did not support the allegation. Further, several graduate students have expressed concerns about their compensation and about their terms and conditions of employment. The Board typically notes the complaints and, following the meeting, assigns appropriate personnel to follow up on each complaint. However, the Board does not maintain a record of each complaint. Because of the possibility that a

complaint may not be addressed, the Board should consider developing a tracking system to ensure that all complaints that are voiced during the call to the audience are addressed.

7. The extent to which the Attorney General or any other applicable agency of state government has the authority to prosecute actions under enabling legislation.

This factor is not applicable since the Board of Regents is not a regulatory board.

8. The extent to which the Board has addressed deficiencies in the enabling statutes that prevent it from fulfilling its statutory mandate.

The Board has initiated and/or supported legislation to improve its ability to meet its goals and objectives. For example:

- As a result of a recommendation by the Auditor General, the Board initiated an amendment to A.R.S. §15-1626 in 1991 that gave the Board broad authority to delegate operational details.

- More recently, in 2000, the Legislature amended A.R.S. §15-1626 to clarify the tuition-setting process. This process now includes public meetings before changes are made to tuitions and fees, and advance public notice of the changes.

- Also in 2000, the Legislature amended A.R.S. §15-213 to permit state universities to use various methods to procure construction services, such as construction-manager-at-risk, design-build, or job-order-contracting. This change allows the universities to select the most timely and cost-effective method for each construction project.

9. **The extent to which changes are necessary in the laws of the Board to adequately comply with the factors in the Sunset Laws.**

    This audit did not identify any deficiencies in the Board's statutes that prevent it from fulfilling its statutory mandate.

10. **The extent to which the termination of the Board would significantly harm the public health, safety, or welfare.**

    Terminating the Arizona Board of Regents could adversely affect public welfare since no particular entity would be accountable for the Arizona university system. For example, no specific entity would be responsible for providing oversight of the universities' budgets, capital improvements, tuition, and admission requirements. The Arizona university system needs a governing board to systematically maintain and provide accountability. Every state in the nation provides a mechanism for governing its university system, although the form of governance varies widely. Additionally, because the Arizona Constitution established the Board, it cannot be terminated through the Sunset process. A vote of the people would be required to terminate the Board.

11. **The extent to which the level of regulation exercised by the Board is appropriate and whether less or more stringent levels of regulation would be appropriate.**

    This factor does not apply to the Board of Regents because it is not a regulatory agency.

12. **The extent to which the Board has used private contractors in the performance of its duties and how effective use of private contractors could be accomplished.**

    The Board of Regents uses private contractors to provide specialized service and expertise in several areas. For ex-

OFFICE OF THE AUDITOR GENERAL

ample, a contractor was hired by the Board to provide professional services to the Governor's Task Force on Higher Education by reviewing background materials, consulting with the task force chair to plan agendas, and acting as the primary facilitator for the meetings. In 2001, a consultant aided the Regents in hiring a new president for Northern Arizona University by identifying candidates, screening prospects, and assisting in evaluations.

AGENCY RESPONSE

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September 25, 2001

Debbie Davenport
Auditor General
2910 N. 44th Street, Suite 410
Phoenix, AZ 85028

Re: Performance Audit

Dear Ms. Davenport:

Enclosed are our comments in response to your revised preliminary report draft of the performance audit of the Arizona Board of Regents.

We appreciate the conscientious and professional manner in which your audit staff has conducted their audit work, and we acknowledge and thank you for incorporating a number of our suggestions into the revised draft.

On behalf of the Board, we thank you for your cooperation.

Sincerely,

Linda J. Blessing
Executive Director

LJB/mlm
010903

Arizona State University   *Northern Arizona University*   *University of Arizona*

BOARD OF REGENTS' RESPONSE TO PERFORMANCE AUDIT
CONDUCTED BY AUDITOR GENERAL
(SEPTEMBER 24, 2001)

<u>GENERAL COMMENTS</u>

The Performance Audit appropriately focuses on the Board's policymaking and oversight responsibilities, and provides a thoughtful analysis in these areas. We particularly appreciate the acknowledgment of the Board's successful efforts to focus on policy and strategic decisions, and to delegate managerial tasks to the universities. We also appreciate the recognition of the significant progress that has been made in establishing Arizona Regents University (ARU), our distance-learning initiative.

We agree with each of the findings and recommendations in the Audit, and believe that responses to several of the recommendations should be helpful in placing the audit in context.

FINDING I

BOARD HAS MADE PROGRESS IN ADDRESSING POLICY ISSUES

<u>RECOMMENDATION 1</u>:

The Board should identify which recommendations from the Governor's Task Force on Higher Education and the Arizona Town Hall would be appropriate for it to adopt.

<u>Response 1</u>: **The finding of the Auditor General is agreed to and the audit recommendation will be implemented.**

<u>Comment</u>: The Board agrees with the recommendation that it should undertake a systematic review of the recommendations from the Governor's Task Force on Higher Education and the Arizona Town Hall. Keeping in mind that the Arizona Town Hall issued its report in May 2000 and the Governor's Task Force issued its report in December 2000, the Board has moved quickly and decisively in implementing a substantial number of the specific recommendations. We appreciate the recognition of the substantial progress the Board has already made in addressing a number of recommendations included in these reports, as summarized below.

TOWN HALL recommendations:

     a.   To "... encourage and support research, technology transfer, work force development..." has been implemented through the Board's allocation of Proposition 301 funds for specific initiatives at the universities.

     b.   To "... integrate a liberal arts education with education of students to participate in the evolving technology-base economy..." is being implemented through the Board's on-going work on learner-centered education and, in particular, through the current review of the universities' general education programs.

     c.   That "out-of-state tuition should reflect full cost of attendance ... In-state tuition should remain consistent with the Arizona constitution and permit maximum accessibility to education ...." Arizona's current in-state tuition continues to rank 49th out of 50 states when compared to senior public universities across the nation. At its most recent tuition-setting process (April 2001), the Board approved an increase for non-resident students that exceeded the university recommendations in order to more fairly allocate costs between residents and non-residents.

     d. That "...institutions [should] collaborate and partner with each other and avoid unnecessary duplication" is being implemented through the use of ARU grants for joint e-learning programs.

GOVERNOR'S TASK FORCE recommendations:

a. To "...provide support services for community college to university transfer" is being implemented through the increased funding reallocated by the individual universities (and community colleges) to enhance the support for ATASS, the Arizona Transfer Articulation Support Services unit.

b. To "strengthen the math/science teacher pipeline through financial incentives, matching grants, and e-learning programs" is being implemented through programs funded through the federal Eisenhower Program, the Arizona K-12 center, the U.S. Department of Education funds from the AZtec program and funds from other university centers and institutes.

c. To "increase workforce development in engineering/science through financial incentives and PR" is being implemented through an ARU grant to develop a joint, applied Masters Degree program in Engineering at the three universities as well as through other engineering and science graduate and research programs implemented at each university through Proposition 301 funding.

d. To "strengthen tri-university [and individual university] initiatives in bioscience, information technology, materials science, manufacturing, environmental engineering and science, water sustainability and optics" is being implemented through the allocation of Proposition 301 funds to the universities by the Board.

e. To "raise university faculty salaries to the 50th percentile of peer institutions" is being implemented through continued budget requests by the universities, with the approval and support of the Board.

f. To "eliminate university backlog of deferred maintenance" is being implemented through university budget requests for "building renewal" funding, with the support and approval of the Board.

g. To "establish AZ Regents University to enhance the workforce through technology-delivered education" is being implemented, under the direct oversight of a Board subcommittee, through the allocation of Proposition 301 funding.

h. To "refine, adopt and publish performance measures for each major initiative in this plan" is being implemented by the Board's approval of performance measures and plans to hire a consultant to develop and implement a comprehensive program evaluation system for the use of all Proposition 301 funds allocated by the Board.

RECOMMENDATION 2:

The Board should then prioritize the recommendations and implement them or delegate them to the universities.

Response 2: The finding of the Auditor General is agreed to and the audit recommendation will be implemented.

FINDING II

BOARD SHOULD STRENGTHEN OVERSIGHT OF INFORMATION TECHNOLOGY

RECOMMENDATIONS:

1. The Board should design and implement an oversight process for university information technology projects that includes a review of the need or justification for such projects. To do this, the Board should:

    a. Identify the information it will require universities to submit including such things as development costs, operating costs, proposed technology, major deliverables, other alternatives considered, and benefits to be achieved;

    b. Determine which projects should be submitted to the centralized oversight process, such as all projects expected to cost more than a specified dollar amount; and

    c. Develop a mechanism and timetable for university submission and Board review of the projects.

Response: The finding of the Auditor General is agreed to and the audit recommendation will be implemented. The Board concurs with the finding that additional Board oversight is necessary in the area of information technology. Although the Board has established a centralized information technology review process in accordance with statutory requirements, the Audit accurately observes that the Board has delegated decision-making authority with respect to individual information technology projects.

As has been discussed with the Auditor General, the Board intends to adopt a policy framework which incorporates the recommended elements. This framework will ensure a systematic and comprehensive process to review university and systemwide planning efforts and Board review and decision-making with respect to individual IT projects.
It should be noted that the Board had taken steps to obtain additional staff resources to assist the Board in strengthening its oversight over the universities' information technology initiatives prior to this Performance Audit. The Board submitted a funding request in the amount of $101,900 to support additional staff resources at the central office, but this request was not funded.

FINDING III

BOARD SHOULD CONTINUE ITS PROGRESS IN DEVELOPING ARIZONA REGENTS
UNIVERSITY

RECOMMENDATIONS:

1.   The Board needs to conduct additional research on the demand for ARU's
      programs. As part of this research, it should identify the groups who would
      likely enroll in ARU's programs.

2.   The Board needs to continue to strive to obtain university support for ARU.

3.   As part of its long-term planning, the Board needs to consider how it wants to
      expand ARU programs.

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

Comment: The Board appreciates the acknowledgment of the active role taken
by the Regents in planning the ARU distance learning initiative, and of the
substantial progress that has been made in the last year. The Board agrees that
faculty support is critical to the success of this initiative, and believes it is worth
emphasizing that university academic administrators and faculty have provided
outstanding cooperation and collaboration in moving things forward over the past
six months. The Board will continue to prioritize the implementation of ARU
initiatives because of the substantial impact these initiatives will have for the citizens
of Arizona.

Other Performance Audit Reports Issued Within the Last 12 Months

Future Performance Audit Reports

Department of Public Safety—Criminal Information Services Bureau, Access Integrity Unit, and Fingerprint Identification Bureau

Department of Public Safety—Sunset Factors