

#### REPORT HIGHLIGHTS

Performance Audit
June 2017

### Arizona Foster Care Tuition Waiver Pilot Programs

CONCLUSION: In 2013, the Legislature enacted Arizona Revised Statutes §15-1809, which requires the Arizona Board of Regents (ABOR) and each community college district in Arizona to establish a pilot program (Programs) to waive tuition and mandatory fees (waiver) for current and former foster youth who meet certain eligibility requirements. Pursuant to statute, the Programs are scheduled to terminate on July 1, 2018. During the Programs' implementation, it was determined that an outside nonprofit service provider (Provider) would host the online application; make applicant information available to the Arizona Department of Child Safety, the universities—which have implemented the Programs on ABOR's behalf—and the community college districts to verify eligibility; and collect program data. Although the Programs have helped some eligible current and former foster youth by providing waivers, data management needs improvement to assess the Programs' effectiveness. In addition, changes to some requirements and additional supports, such as increasing the Programs' age limit, may increase the Programs' reach. Finally, the community college districts, and ABOR in collaboration with the universities, should improve the Programs' implementation.

# Programs have assisted recipients, but data management needs improvement, and changes to some requirements may increase Programs' reach

**Waivers helped recipients attend college**—From the spring 2014 through fall 2016 semesters, 142 current and former foster youth received waivers totaling more than \$550,000. Waiver recipients reported that the waiver positively impacted their ability to attend college and succeed by easing financial constraints. Specifically, waiver recipients reported that pursuing a college education is a vital step in improving their life circumstances and that receiving a waiver helped them attend college when they otherwise might not have been able to afford it.

Inadequate data availability, reporting, and collection limit assessment of Programs' effectiveness—Because outcomes for former foster youth in Arizona are not tracked once they leave foster care, we were unable to identify baseline data for college attendance and completion or other long-term outcomes needed to measure the Programs' impact. In addition, assessment of the Programs' long-term outcomes is hindered by the relatively short time since the Programs were implemented. Shorter-term measures, such as graduation rates or time to degree for waiver recipients, would also require more time to be accurately assessed. Further, the data reported to the Provider by the universities and community college districts has been unreliable—which may be partially attributable to the lack of a contract with the Provider, as well as inadequate data management policies and procedures.

Improved data management is needed to administer and assess impact of the Programs—With improved data management, the community college districts and ABOR could assess the Programs' impact on several educational outcomes and more effectively manage the Programs. For example, to assess the Programs' effectiveness, the community college districts and ABOR could track college enrollment, attendance, graduation, and dropout rates, as well as report on basic demographic information about the Programs, such as the number of applicants and recipients. Long-term trends in current and former foster youths' educational outcomes could be useful in making changes to the Programs to better achieve desired outcomes or identifying elements of the Programs that are successful. For other long-term outcomes and performance measures, such as rates of homelessness and incarceration, as well as measures that would provide comparisons to former foster youths' higher education outcomes prior to the Programs' implementation, additional data collection and analysis would be necessary.

**Program changes and additional supports may increase the Programs' reach**—Although it would require additional resources and may place additional financial burdens on the universities and community college districts, potential changes to program requirements and additional supports may increase the Programs' reach. For example, advertising and outreach may increase awareness of the Programs among current and former foster youth. In addition, the Programs' maximum age requirement of 23 may limit the Programs' ability to assist current and former foster youth because research suggests that foster youth may take longer to graduate high school and complete their postsecondary

degrees. Further, additional support for expenses beyond tuition and mandatory fees, especially housing, may improve current and former foster youth success, because these other costs remain a significant barrier to college completion. Additionally, nonmonetary assistance, such as campus support programs, may contribute to the successful completion of postsecondary education for current and former foster youth by addressing nonfinancial needs, such as emotional or social support.

#### Recommendations

- The community college districts, and ABOR in collaboration with the universities, should each establish a process
  for collecting and/or reporting data on the Programs using one of the following options: (1) If they continue using an
  outside service provider, they should develop and implement policies and procedures for providing accurate and
  consistent data to the outside service provider; or (2) if they do not continue using an outside service provider, they
  should develop and implement policies and procedures for collecting key program data that the Provider currently
  collects;
- If the Legislature continues the Programs and determines that further assessment of their effectiveness should be performed, it should consider, in consultation with relevant stakeholders, what program outcome data, such as graduation rates, should be tracked and reported; and
- If the Legislature continues the Program, it should consider studying, in consultation with relevant stakeholders, the impacts and increased costs of modifying some requirements or adding supports to expand the Programs' reach.

## ABOR and community college districts should improve Programs' implementation

**Some waivers improperly denied and awarded**—Although the universities and community college districts accurately assessed and processed most waiver applications, some waivers were denied or awarded inappropriately. We reviewed a stratified random sample of 41 of the 966 current and former foster youth who applied for a waiver during the spring 2014 through fall 2016 semesters and found that two universities each improperly awarded a waiver. We also reviewed judgmental samples of four and three waiver applicants for that same time period from two separate community college districts and found that one community college district improperly denied a waiver to an eligible applicant, and the other community college district improperly awarded waivers to two applicants. These errors resulted, in part, from inadequate policies and procedures for processing waiver applications and verifying applicant eligibility.

Lack of contract with Provider has negatively impacted Programs' implementation and may affect applicant access to Programs—ABOR and the community college districts do not have a contract with the Provider that is hosting the waiver application and collecting data on the Programs. This lack of a contract has negatively impacted the Programs' implementation and may potentially impact current and former foster youths' access to the Programs. For example, the Provider has established an application opening date of July 1, which some stakeholders have identified as problematic because it is too close to the beginning of the fall semester, which begins in August. Without a contract, ABOR and the community college districts cannot ensure that the Provider opens the application on a date that best serves students. In addition, without a contract specifically defining the Provider's responsibilities, ABOR and the community college districts cannot provide adequate oversight to ensure that the Provider is performing these duties. Finally, without a contract, the Provider could discontinue its services without notice, potentially impacting applicant access to the Programs.

#### Recommendations

The community college districts, and ABOR in collaboration with the universities, should each:

- Review their policies and procedures for processing waiver applications to ensure they provide adequate and appropriate guidance for verifying applicant eligibility, and modify their policies and procedures as appropriate; and
- Determine whether they will continue using an outside service provider to assist in the Programs' operation and then implement one of the following options: (1) If they continue using an outside service provider, enter into a contract with a provider that clearly defines each party's roles, responsibilities, and requirements; or (2) if they do not continue using an outside service provider, develop and implement processes for ensuring that applicants have a method for applying for the Programs and meet the foster care eligibility and volunteer hour requirements, and that the Programs' application(s) are opened and/or reviewed each semester on a date that ensures applicants have adequate opportunity to make critical college decisions.

Arizona Auditor General