Arizona State Schools for the Deaf and the Blind (ASDB)

Sunset Review

ASDB had multiple operational, financial, educational, and compliance issues, potentially impacting student/staff safety and educational quality, reducing monies available for its operations, and limiting transparency about its future operations

Audit purpose

To respond to the 10 statutory sunset factors.[1]

Key findings

- An Arizona Department of Education (ADE) investigation found that ASDB predetermined placements for 6 students in violation of federal regulations and directed ASDB to implement corrective actions for appropriately considering student placement options.
- ASDB relocated its Tucson campus to a leased facility in Oro Valley and has not yet determined plans for the Tucson campus land, but has identified key action items for its sale or transfer, such as obtaining title reports, independent appraisals, and community input, and complying with statutory requirements to deposit sale proceeds into a new legislatively established Property Proceeds Fund subject to legislative appropriation.
- ASDB did not comply with some State public records law requirements and recommended practices, hindering its ability to ensure transparency for the public and appropriate and timely responses to public records requests.
- Our performance and forensic audit contractors identified various deficiencies including issues related to student graduation, complaint handling, campus relocation, and financial processes, potentially impacting student/staff safety and educational quality and reducing monies available for its operations.

Key recommendations to ASDB

- Implement all corrective actions as directed by ADE and address any additional corrective actions or recommendations identified during its review of student placement options.
- Implement the Tucson campus action items it identified, including statutory requirements related to the Property Proceeds Fund.
- Document and track all public records requests consistent with statutory requirements and recommended practices.

[1] The Arizona Auditor General conducted this sunset review as part of the sunset review process prescribed in Arizona Revised Statutes §41-2951 et seq pursuant to a December 10, 2024, resolution of the Joint Legislative Audit Committee. This resolution also directed the Auditor General to engage 1 or more independent contractors to conduct a forensic audit and a performance audit of ASDB as part of ASDB's sunset review, and our work to answer the statutory sunset factor questions included reviewing and reporting on the findings and recommendations from the audit reports completed pursuant to this resolution by 2 independent firms under contract with the Arizona Auditor General. See report 26-114 *Arizona State Schools for the Deaf and the Blind Performance Audit* conducted by the independent firm Sikich CPA LLC and report 26-115 *Arizona State Schools for the Deaf and the Blind Forensic Audit* conducted by the independent firm Forensic Strategic Solutions.