

## Arizona Board of Regents

ABOR has established processes related to several of its statutory responsibilities we reviewed but can improve its effectiveness in other areas, including discussing the universities' significant risk areas and plans for addressing these risks

### Audit purpose

To provide responses to the statutory sunset factors.

### Key findings

- ABOR was established by the Arizona Constitution and is the governing body for the State's 3 universities—Arizona State University, Northern Arizona University, and the University of Arizona. ABOR has established processes related to several of its statutory responsibilities, including:
  - Setting tuition and fees and adopting rules governing the tuition and fee-setting process.
  - Appointing, employing, and determining compensation for university presidents.
  - Establishing curricula by approving new programs.
- ABOR has established a strategic plan for the university system to improve educational attainment and the economy for the State.
- ABOR has not regularly discussed the universities' significant risk areas, universities' plans for mitigating or minimizing these risks, and the effectiveness of those plans.
- ABOR can better align its conflict-of-interest processes with best practices to help ensure that ABOR staff and Board members disclose conflicts of interests as required by law, including annually disclosing conflicts of interest and requiring staff to disclose outside employment that conflicts with their official duties.

### Key recommendations

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 these risks and the effectiveness of those plans, and evaluating the universities' preparedness to respond to significant risks.
- Follow its revised conflict-of-interest process that requires its staff to annually file a disclosure statement.
- Revise its conflict-of-interest form to require staff to disclose outside employment that conflicts with their official duties.