

State of Arizona
Office
of the
Auditor General

PERFORMANCE AUDIT

**ARIZONA
DEPARTMENT
OF
CORRECTIONS**

**Administrative Services
and
Information Technology**

**Report to the Arizona Legislature
By Debra K. Davenport
Auditor General**

**August 2001
Report No. 01-18**

The Auditor General is appointed by the Joint Legislative Audit Committee, a bipartisan committee composed of five senators and five representatives. Her mission is to provide independent and impartial information and specific recommendations to improve the operations of state and local government entities. To this end, she provides financial audits and accounting services to the state and political subdivisions and performance audits of state agencies and the programs they administer.

The Joint Legislative Audit Committee

Senator Ken Bennett, Chairman
Representative Roberta L. Voss, Vice-Chairman

Senator Herb Guenther	Representative Robert Blendu
Senator Dean Martin	Representative Gabrielle Giffords
Senator Peter Rios	Representative Barbara Leff
Senator Tom Smith	Representative James Sedillo
Senator Randall Gnant (ex-officio)	Representative James Weiers (ex-officio)

Audit Staff

Shan Hays – *Manager*
and Contact Person (602) 553-0333
Miriam Seymore – Team Leader
Mark Haldane – Team Member

Copies of the Auditor General's reports are free.
You may request them by contacting us at:

Office of the Auditor General
2910 N. 44th Street, Suite 410
Phoenix, AZ 85018
(602) 553-0333

Additionally, many of our reports can be found in electronic format at:

www.auditorgen.state.az.us



DEBRA K. DAVENPORT, CPA
AUDITOR GENERAL

**STATE OF ARIZONA
OFFICE OF THE
AUDITOR GENERAL**

WILLIAM THOMSON
DEPUTY AUDITOR GENERAL

August 27, 2001

Members of the Arizona Legislature

The Honorable Jane Dee Hull, Governor

Mr. Terry Stewart, Director
Arizona Department of Corrections

Transmitted herewith is a report of the Auditor General, A Performance Audit of the Department of Corrections—Administrative Services and Information Technology. 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 Department of Corrections agrees with all of the findings and recommendations.

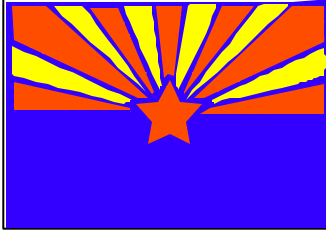
My staff and I will be pleased to discuss or clarify items in the report.

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

Sincerely,

Debbie Davenport
Auditor General

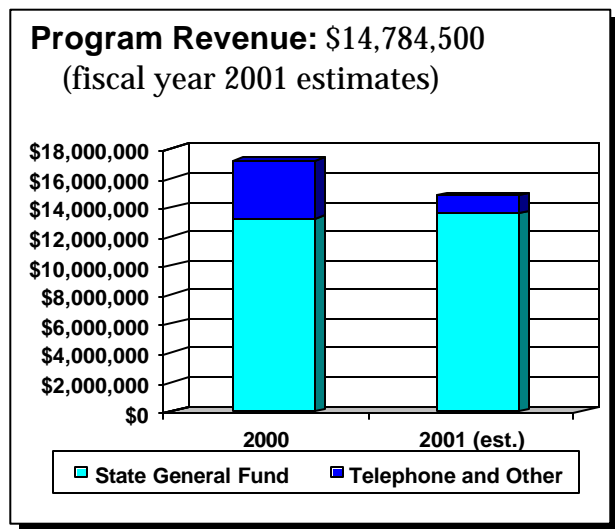
Enclosure



Program Fact Sheet

**Arizona Department of Corrections
Administrative Services**

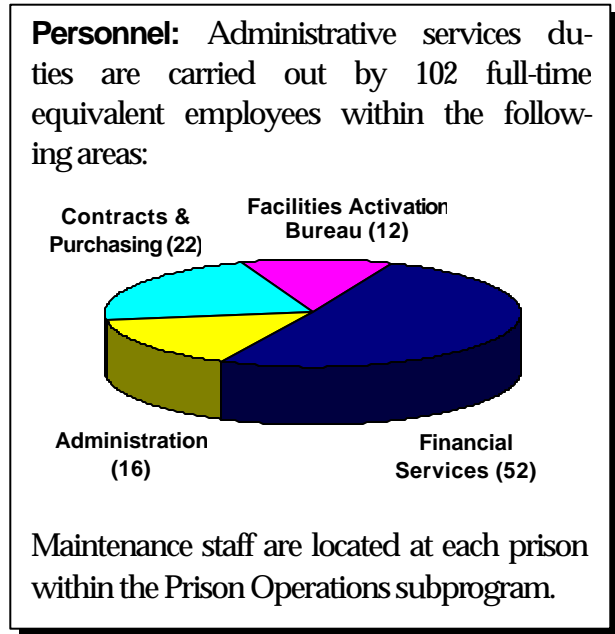
Services: The Administrative Services subprogram supports the Department in several areas, including: **1) payroll, accounting, contracts administration, purchasing, equipment inventory, inmate banking, and fleet management; 2) facilitating the construction of new prisons and renovating and remodeling the ten existing state prison complexes; 3) officer remodeling, janitorial, and maintenance services, and mail delivery; and 4) safety and environmental assessments and regulatory compliance.**¹



Facilities: The Administrative Services subprogram is operated from three central office locations in Phoenix, at 2200 North Central Avenue, 2005 North Central Avenue, and 363 North First Avenue. All three facilities are leased from private owners.

Equipment: The Department uses the following equipment to carry out administrative services responsibilities:

- 4 sport utility vehicles
- 5 pickup trucks
- 139 computers
- 229 radios
- 13 vans
- 23 sedans
- 74 printers
- 178 pagers



¹ The scope of this audit did not include a review of payroll and accounting functions, janitorial and mail services, or safety and environmental assessments of the Administrative Services subprogram. Additionally, inmate banking and fleet management were reviewed as part of the Department of Corrections Support Services audit.

Administrative Services Mission:

“To provide effective and efficient services in finance, facilities construction and renovation, tenant services, and environmental safety to enable the Department’s programs to achieve their goals.”

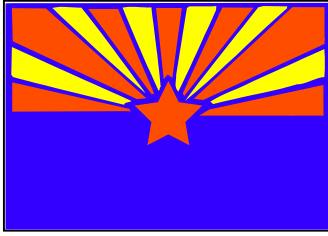
Subprogram Goals and Performance Measures:

- To improve Administrative Services Division operations;
- To improve Administrative Services Division customer service; and
- To provide technical assistance to facilitate compliance with regulatory requirements.

Adequacy of Goals and Performance Measures:

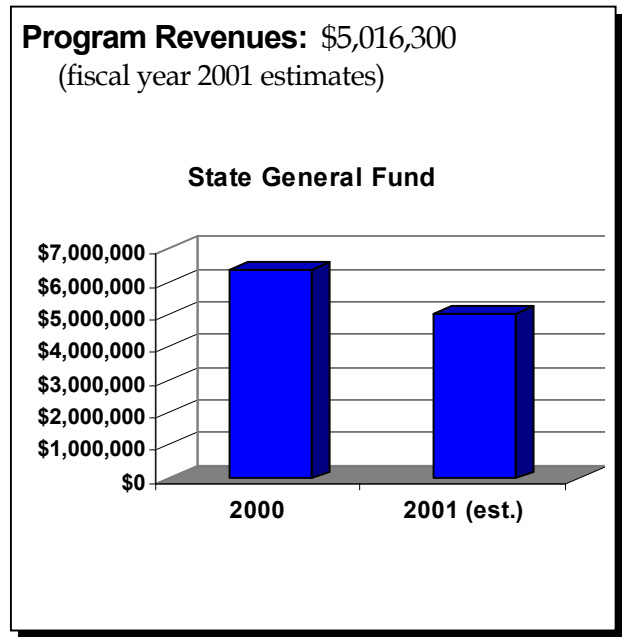
A review of the Administrative Services subprogram’s goals and performance measures indicates that it should develop more specific goals to meet the subprogram’s mission and develop additional performance measures. Specifically,

- The first two goals are overly broad and do not clearly identify the desired results.
- The Department should establish quality measures. Quality measures emphasize reliability or responsibility to the customer or stakeholder, such as timeliness of invoice payments.
- The Department should establish efficiency measures. Efficiency measures reflect the cost of providing services, such as maintenance of buildings per square foot or cost-effectiveness of construction projects.
- The Department should establish outcome measures. Outcome measures indicate the results achieved and whether the subprogram is meeting proposed targets, such as time to complete construction projects or major building renovations.

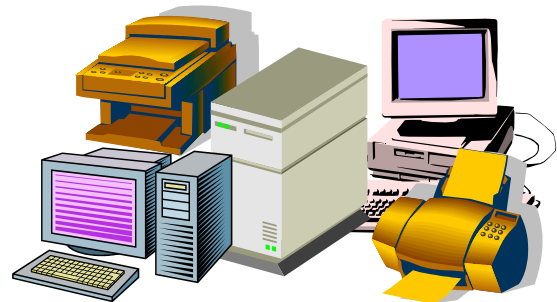


Arizona Department of Corrections Information Technology

Services: The Information Technology (IT) subprogram provides the Department with a variety of services, including: **1) support of software development services, data management, networking, and LAN/WAN connectivity; 2) access to statewide mainframe systems, criminal justice information and identification, systems security, technology asset management, and telecommunications services; and 3) planning of statewide customer service needs.**



Equipment: The Department uses the following equipment to carry out information technology responsibilities: 128 computers, 38 radios, 29 printers, 24 modems, 12 servers with multiple disk drives, 4 disk drives, 2 IBM processors, and 1 controller.



Personnel: Seventy-nine full-time equivalent employees carry out information technology duties. Eleven information technology positions were vacant as of April 2001.

Facilities: The Information Technology subprogram is operated from four locations in Phoenix. Three locations at 2200 North Central Avenue, 2005 North Central Avenue, and 3120 North 35th Avenue are leased. The fourth, at 1601 West Jefferson, is state-owned. Additionally, IT has at least one employee at each of the Department's ten prison complexes.

IT Mission:

"To provide leadership of standardized information technology solutions in support of the Department's mission."

Subprogram Goals: The Department has 6 goals and 28 performance measures related to information technology. The goals are:

- To manage and provide leadership for standardized information technology solutions that support the Department's mission;
- To provide responsive, customer-driven, professional services;
- To standardize and ensure reliability of technology systems within the Department;
- To develop and/or improve accurate, available, effective, efficient, and usable systems within the Department;
- To improve the Department's communication via technology; and
- To help Human Resources Development establish a training curriculum for the Department's systems.

Adequacy of Goals and Performance Measures:

The Department's goals related to information technology appear to be appropriate, but the associated performance measures are all output or outcome measures.

- The Department should establish input measures. Input measures indicate demand for a service or product, such as the number of requests for information or reports using IT system data.

- The Department should establish efficiency measures. Efficiency measures reflect the cost of providing services, such as the number of programming hours needed to generate ad hoc reports or make changes to Department IT systems.
- The Department should establish quality measures. Quality measures emphasize reliability or responsiveness to the customer or stakeholder, such as timeliness in responding to requests for computer service.

SUMMARY

The Office of the Auditor General has conducted a performance audit of Administrative Services and Information Technology subprograms at the Arizona Department of Corrections (Department), in response to a June 16, 1999, resolution of the Joint Legislative Audit Committee. This performance audit was conducted under the authority vested in the Auditor General by Arizona Revised Statutes §41-1279 and as part of the Sunset review set forth in A.R.S. §41-2951 et seq. This audit is the fifth in a series of six audits of the Department of Corrections. Audit reports on Security Operations, Human Resources Management, Support Services, and Private Prisons have already been issued. The remaining audit will focus on the Arizona Correctional Industries. A separate report will address Sunset Factors for the Department.

The Department Can Improve Facilities Maintenance Management (See pages 7 through 14)

The Department faces considerable challenges in maintaining its prisons, resulting in a strain on Department resources. Its maintenance needs are generally millions of dollars higher than amounts allocated for this purpose. While the Department also receives building renewal funding to extend the useful life of its facilities, this funding has historically fallen short of the Department's needs. The Legislature fully funded the Department's share of the State's building renewal formula for fiscal years 2002 and 2003. Still, according to a Department official, these amounts will meet only approximately one-quarter of the Department's needs. With these funding limitations, the Department should ensure that any available contingency funds are fully applied to maintenance needs at year-end. Further, the Department should also explore the benefits of computerized maintenance management systems to enhance inventory control and repair scheduling and tracking.

A facilities master plan may help the Department address its ongoing and future facilities issues. Since the Department does not have such a plan, it should consider forming a correctional facilities study committee, which includes stakeholders and experts, to help the Department in this effort. Such a committee could also study the issue of establishing the Department of Corrections as its own building system.

**Insufficient Oversight and
Planning Impede Information
Technology Efforts
(See pages 15 through 20)**

A lack of sufficient oversight and planning has hampered the Department's information technology (IT) efforts. Insufficient oversight resulted in limited tracking of IT costs, major projects, and consultants. For example, one project is incomplete and 22 months behind schedule, even though the Department has already spent almost all of the budgeted funds. In November 2000, the Department began reorganizing IT operations in an effort to increase oversight. As part of this effort, the Department elevated IT to a division reporting directly to the deputy director of administration. The deputy director also reorganized IT management, reduced the number of consultants, and implemented other changes to increase project tracking and accountability.

While the changes in IT organization are helpful, the Department needs to take additional steps to improve planning so that its efforts will be better focused and its future projects more fully justified in the eyes of legislative and other decision-making officials. The Department faces several critical projects in the near future, including a new adult inmate information system and disaster recovery plan.

Other Pertinent Information (See pages 21 through 23)

During the audit, other pertinent information was collected on the Department's inmate phone system. Phone call recipients, not inmates, pay for personal calls placed by inmates. Although calls placed through the Department's inmate phone system are expensive because of added security features, the costs are comparable to operator-assisted collect call pay phone rates paid by the general public and comparable to rates charged by other states' correctional systems.

A.R.S. §41-1604.03 specifies that the Department must use phone system revenues, along with other revenues, for "the benefit, education and welfare of committed offenders" and to pay the costs of a telephonic victim notification system. The Department has used such revenues for several purposes, ranging from paralegal services to renovating inmate recreation and visitation areas. These uses appear to comply with the statutory limitations. Additionally, legislation transferred \$3 million of these revenues to the State General Fund for fiscal years 1999 through 2001 and \$1 million to the Corrections Fund for fiscal year 2002.

(This Page Intentionally Left Blank)

TABLE OF CONTENTS

	<u>Page</u>
Introduction and Background	1
Finding I: The Department Can Improve Facilities Maintenance Management.....	7
Department Faces \$82.7 Million in Major Building Projects, Numerous Maintenance Needs	7
Department Has Opportunities To Stretch Limited Maintenance Resources	8
Long-Term Planning Needed To Address Other Facilities Issues	12
Recommendations.....	14
Finding II: Insufficient Oversight and Planning Impede Information Technology Efforts.....	15
Insufficient Oversight Resulted in Limited Tracking of Costs, Major Projects, and Consultants.....	15
Improved Planning Needed To Focus Efforts and Justify IT Projects.....	17
Recommendations.....	20
Other Pertinent Information.....	21
The Department's Inmate Phone System.....	21

TABLE OF CONTENTS (Concl'd)

Page

Agency Response

Tables

Table 1	Arizona Department of Corrections Administrative Services and Information Technology Statement of Revenues, Expenditures, and Changes in Fund Balance Years Ended June 30, 2000 and 2001 (Unaudited).....	3
Table 2	Arizona Department of Corrections Buildings, Square Footage, and Replacement Value Year Ending June 30, 2001.....	4
Table 3	Arizona Department of Corrections Comparison of Inmate Telephone Rates in Arizona and Selected Other States As of May 2001.....	23

INTRODUCTION AND BACKGROUND

The Office of the Auditor General has conducted a performance audit of Administrative Services and Information Technology subprograms¹ at the Arizona Department of Corrections (Department), in response to a June 16, 1999, resolution of the Joint Legislative Audit Committee. This performance audit was conducted under the authority vested in the Auditor General by A.R.S. §41-1279 and as part of the Sunset review set forth in A.R.S. §41-2951 et seq. This audit is the fifth in a series of six audits of the Department of Corrections, which have included Security Operations, Human Resources Management, Support Services, and Private Prisons. The remaining audit will focus on the Arizona Correctional Industries. A separate report will address Sunset Factors for the Department.

Organization, Staffing, and Budget

As of April 26, 2001, 181 full-time equivalent (FTE) employees were assigned to the Administrative Services and Information Technology subprograms.

- **Administrative Services (102 FTEs)**—This staff manages financial services, contracting, and risk management. It also coordinates, with the Arizona Department of Administration, facility activation functions, such as coordinating prison site requirements and building renewal requests to fund activities that extend a building's useful life.
- **Information Technology (79 FTEs)**—Information Technology is responsible for managing and maintaining computer resources and their products, and supporting telecommuni-

¹ Prior to a reorganization in fiscal year 2001, Agency Infrastructure was one of the Department's four Administration subprograms. In fiscal year 2001, the Administration program was reorganized and the functions of the Agency Infrastructure subprogram were divided between the Administrative Services and Information Technology subprograms.

cation services. Employees support the Department's software development, data management, networking, Local Area Network/Wide Area Network (LAN/WAN) connectivity, access to mainframe systems, business needs analyses, and IT project management.

For fiscal year 2001, the two subprograms, as illustrated in Table 1 (see page 3), received approximately \$19.8 million in revenues. An estimated \$18.6 million of these revenues are State General Fund appropriations.

Prison Construction and Maintenance Oversight Divided

Oversight of the Department's construction and maintenance needs is divided between the Department and the Arizona Department of Administration (ADOA). Staff at the Department of Corrections' central office develop standardized maintenance guidelines, perform site inspections of proposed major projects, and provide technical support to prison staff. Prison Operations staff at the Department's ten prison complexes, such as plumbers, electricians, and locksmiths, manage and conduct routine and preventive maintenance. The Department also identifies and evaluates its construction and major repair needs.

The Department and ADOA are responsible for maintaining over 1,000 Department structures totaling \$750 million.

ADOA is responsible for building renewal and capital projects at all Department of Corrections buildings. The Department submits scope of work and cost estimates to ADOA, which considers building projects for approval. Together, the Department and ADOA are responsible for maintaining over 1,150 Department structures with a replacement value totaling \$750 million (see Table 2, page 4).

Scope and Methodology

This audit focused on the Department's facilities maintenance management and information technology issues.

Table 1
Arizona Department of Corrections
Administrative Services and Information Technology
Statement of Revenues, Expenditures, and Changes in Fund Balance
Years Ended June 30, 2000 and 2001
(Unaudited)

	Administrative Services		Information Technology		Total	
	2000 (Actual)	2001 (Estimated)	2000 (Actual)	2001 (Estimated)	2000 (Actual)	2001 (Estimated)
Revenues:						
State General Fund appropriations	\$13,216,700	\$13,604,500	\$6,372,100	\$5,016,300	\$19,588,800	\$18,620,800
Telephone commissions ¹	3,682,024	375,000			3,682,024	375,000
Interest	276,551	400,000			276,551	400,000
Federal grants	5,000				5,000	
Other	19,153	405,000	3,430		22,583	405,000
Total revenues	<u>17,199,428</u>	<u>14,784,500</u>	<u>6,375,530</u>	<u>5,016,300</u>	<u>23,574,958</u>	<u>19,800,800</u>
Expenditures:						
Personal services and employee-related	3,471,225	3,321,000	3,192,096	2,749,200	6,663,321	6,070,200
Professional and outside services	1,181,476	2,342,300	10,545	57,800	1,192,021	2,400,100
Travel	18,576	21,200	34,643	45,400	53,219	66,600
Aid to organizations and individuals	197,971	239,300			197,971	239,300
Other operating and equipment ²	10,433,389	10,216,600	4,714,950	2,163,900	15,148,339	12,380,500
Total expenditures	<u>15,302,637</u>	<u>16,140,400</u>	<u>7,952,234</u>	<u>5,016,300</u>	<u>23,254,871</u>	<u>21,156,700</u>
Excess of revenues over (under) expenditures	<u>1,896,791</u>	<u>(1,355,900)</u>	<u>(1,576,704)</u>		<u>320,087</u>	<u>(1,355,900)</u>
Other financing sources (uses):						
Remittances to the State General Fund	(18,623)		(3,430)		(22,053)	
Net operating transfers in	8,948				8,948	
Total other financing sources (uses)	<u>(9,675)</u>		<u>(3,430)</u>		<u>(13,105)</u>	
Excess of revenues and other sources over (under) expenditures and other uses ³	<u>\$ 1,887,116</u>	<u>\$ (1,355,900)</u>	<u>\$(1,580,134)</u>	<u>\$ 0</u>	<u>\$ 306,982</u>	<u>\$(1,355,900)</u>

1 The Department collected commissions on the inmates' use of its telephone system. The Department accounts for telephone commissions as cash is received because the amount of revenues earned is not known until the vendor distributes the Department's share. Revenue decreased significantly in 2001 because the Department did not receive its 2001 commissions until early 2002. See Other Pertinent Information, pages 21 through 23 for further information.

2 Includes approximately \$5.5 million in 2000 and 2001, respectively, for the Department's risk management and building rental costs. Also, includes approximately \$3.2 million and \$2.3 million in 2000 and 2001, respectively, for data processing services provided by the Department of Administration Data Center and information technology contractors.

3 Amounts fluctuate for Administrative Services because the Department approves projects based on need and the availability of telephone commission monies. Information Technology expenditures in excess of revenues were paid from beginning fund balances consisting of monies received in the prior year from the Government Information Technology Agency for Year 2000 compliance changes.

Source: Auditor General Staff analysis of the Arizona Financial Information System (AFIS) Accounting Event Extract File for the year ended June 30, 2000, and estimates for the year ended June 30, 2001, provided by the Department of Corrections. Actual amounts were not available at the time of this report.

Table 2

**Arizona Department of Corrections
Buildings, Square Footage, and Replacement Value
Year Ending June 30, 2001**

Prison Complex	Number of Structures	Square Feet	Replacement Value (unaudited)
Douglas	111	518,768	\$ 41,440,062
Eyman	65	1,177,082	160,223,502
Florence	369	1,143,710	124,081,770
Lewis	74	1,172,828	113,111,872
Perryville	51	522,684	59,277,497
Phoenix	38	170,860	15,864,989
Safford	189	538,416	42,964,520
Tucson	162	839,214	96,596,775
Winslow	48	413,370	49,838,210
Yuma	<u>45</u>	<u>527,443</u>	<u>56,617,007</u>
Totals	<u>1,152</u>	<u>7,024,375</u>	<u>\$760,016,204</u>

Source: Auditor General staff summary of the Arizona Department of Corrections' Building Inventory Report for the year ending June 30, 2001.

Auditors used a number of methods to conduct the audit, including on-site visits to nine prison complexes.¹ During these visits, auditors viewed plumbing systems, heating and cooling units, roofing, water treatment facilities, door and lock mechanisms, and other structural items to understand maintenance and repair needs. Further, auditors interviewed prison complex staff regarding information technology systems and observed their use of the Adult Inmate Management System (AIMS), maintenance and inventory systems, and other management information systems to learn the scope of the Department's technology efforts.

Other audit methods used specifically to assess facilities maintenance needs included reviews of building renewal and capital project requests, internal audit reports, and strategic plans to determine facilities needs, deficiencies, and funding requests. Additionally, auditors reviewed federal and state audit reports and

¹ Prison complexes auditors toured included Douglas, Eyman (Florence), Florence, Lewis (Buckeye), Perryville (Goodyear), Phoenix, Tucson, Winslow, and Yuma. Additionally, auditors toured the Safford complex during a prior Department audit.

literature regarding facilities maintenance practices and standards. Interviews were also conducted with the Department of Administration to discuss building renewal processes and priorities.

Methods used to assess information technology needs included the examination of eight IT projects submitted to the Government Information Technology Agency (GITA) for approval and interviews with two GITA analysts regarding the Department's IT efforts. In addition, auditors interviewed management and staff from other agencies regarding the Department's project requests and priorities; the Department of Administration regarding the IT services provided to the Department; and the Department of Public Safety and Arizona Criminal Justice Commission regarding IT issues they share with the Department.

This audit includes findings and recommendations in the following areas:

- Improved planning and resources are needed to maintain the useful life of the Department's facilities; and
- Improved oversight and planning are required to address numerous information technology deficiencies.

In addition to these findings and recommendations, the audit provides Other Pertinent Information (see pages 21 through 23) regarding the Department's inmate telephone system.

This audit was conducted in accordance with government auditing standards.

The Auditor General and staff express appreciation to the director of the Department of Corrections and his staff for their cooperation and assistance throughout the audit.



(This Page Intentionally Left Blank)

FINDING I

THE DEPARTMENT CAN IMPROVE FACILITIES MAINTENANCE MANAGEMENT

Several facilities- and resource-related issues affect the Department's ability to maintain Arizona's prison facilities. Although the Department generally does well in maintaining its facilities, prisons continue to have many maintenance needs, which strain Department resources. The Department should take both short-term and long-term actions to help address these issues. It should begin planning earlier for using contingency funds to meet some maintenance needs, and explore using computerized maintenance management systems. Finally, the Department should consider forming a study committee to develop a long-term master plan for prison facilities.

Department Faces \$82.7 Million in Major Building Projects, Numerous Maintenance Needs

The Department is responsible for maintaining and maximizing the life of ten prison complexes comprising more than 1,150 structures. In its fiscal years 2002 and 2003 budget request, the Department identified 246 major building projects to be completed, totaling \$82.7 million. The highest priority projects involve life and safety issues, such as replacing unstable 30-year-old boilers at Florence; installing or repairing fire alarms at most complexes; replacing numerous aging doors and locks; and installing a water treatment system at the newer Yuma Dakota Unit where pipes and cooling systems have disintegrated. Despite such needs, the Department will receive only \$11.5 million to address these projects during fiscal years 2002 and 2003.

The Department must also perform daily maintenance and routine repairs on all of these buildings. Although the Department spent a total of \$17 million during fiscal year 2000, it could not

address numerous projects at its prison complexes. Remaining system-wide needs range from mechanical and roadway repairs to replacement of roofs and coolers. Nearly every prison complex has requested funding for a water system or utility project. In addition, some prison facilities pose many unique challenges, which increase the need for frequent repair and strain maintenance resources. For example, some facilities, such as Douglas' Papago Unit and Safford's Fort Grant Unit, were originally designed as a hotel and school. While some structures were built with wooden materials and glass windows, the Department must maintain them as secure housing for adult inmates.

Department Has Opportunities To Stretch Limited Maintenance Resources

Arizona prisons, old and new, require substantial levels of maintenance and repairs. Although the Department has established good procedures for conducting preventive maintenance, the needed level of maintenance places great demands on the system. The Department can strengthen its efforts by making fuller use of end-of-year contingency money and implementing maintenance tracking systems at its prison complexes. Although the Department will receive increased funding in fiscal years 2002 and 2003 to extend the useful life of its facilities, the need to operate as efficiently as possible in using limited resources will continue.

Prison facilities pose unique maintenance challenges—The Department faces challenges in maintaining its ten prison complexes. A number of buildings at these complexes were never built as correctional facilities and incur high maintenance costs as a result. Even recent buildings designed specifically as prison facilities have developed problems that need attention.

- **Converted and temporary facilities cause additional maintenance expense**—Some of the Department's facilities were built for other purposes and require frequent repairs to maintain their usefulness. Two examples are the Papago unit of the correctional facility at Douglas, originally built as a pair of motels, and the Fort Grant unit of the correctional facility

at Safford, originally built as a school. Some housing units were constructed with wood, corrugated metal, and glass windows—construction not designed for the wear and tear created by housing adult prisoners. Retrofitted items used in these facilities, such as new doors, locks, and heating and cooling systems, add to the maintenance demands. The Department also houses inmates in numerous short-lived structures, such as tents and Quonset huts, and has already kept many of these structures in use far beyond their expected useful lives.

- **Location and equipment strain maintenance on new facilities**—Even newer prison facilities can present challenges. For example, the Dakota unit at the Yuma facility, opened in 1998, did not include a water treatment system. According to Department officials, the Department of Administration removed the system from building plans in an effort to reduce costs during construction. The unit now suffers from extensive rust and corrosion, and a new water system will cost approximately \$700,000 to design and construct. Additionally, maintenance on pneumatic doors and other equipment has increased because of blowing sand and other environmental factors. Even the Department’s newest prison, the Lewis complex in Buckeye built in 1998, has required expensive repairs to its water treatment facility, doors, and locks.

A new water system, not included in original construction, will cost approximately \$700,000.

Extensive maintenance needs require better management of contingency funds—These extensive maintenance needs make it imperative to get the most out of every dollar available. A Department formula provides between 1 and 2 percent of buildings’ replacement value to each complex for routine maintenance. Although this formula would have given prison complexes \$6.5 million in fiscal year 2000, actual Department-wide expenditures for repairs and maintenance totaled \$17 million. The remaining \$10.5 million came from the complexes’ other operating expenses and from contingency fund monies that the director set aside for emergency or year-end use. In fiscal year 2000, for example, the director released approximately \$1.42 million in contingency funds for numerous prison needs, including sewage treatment plant pump repairs at Safford and Yuma, security camera installation at four complexes, and emergency exit door alarm and panic bar installation at Douglas’ Gila unit.

Approximately \$3.5 million in contingency funds reverted to the State General Fund in fiscal year 2000.

However, by starting earlier in the year to determine how contingency funds might be used, the Department could use these funds more effectively to pay for maintenance projects. Despite numerous unmet maintenance needs, some contingency fund monies have reverted to the State General Fund each year because the Department could not plan and complete the work before the end of the fiscal year. The fiscal year 2000 reversion amounted to approximately \$3.5 million. To minimize such reversions, the Department should identify potential uses of unspent contingency funds starting at the beginning of each fiscal year, and begin prioritizing and planning projects as early as prudently possible.

Department's maintenance approach generally good, but greater use of computerized management systems could help—For the most part, the Department has established good policies for using the maintenance money it has available. These policies include requirements for routine and preventive maintenance, emergency maintenance, building and equipment inspections, and equipment and parts inventories. Inspections and audits confirm the effectiveness of these maintenance policies. Department of Administration building inspectors commend maintenance staff at several facilities for keeping old buildings in good condition through their preventive maintenance programs. These inspectors examine each Department facility at least once every four years to identify maintenance and building renewal needs. In addition, the Department's own inspectors conduct intensive annual audits of policies and procedures followed at all prison complexes. These audits examine prioritization of building maintenance projects, and have generally found that prison practices meet Department standards.

To enhance preventive maintenance scheduling, improve inventory control, and facilitate tracking maintenance and repairs performed, the Department should consider using computerized maintenance management systems in all its prison complexes. Computerized maintenance management systems generate maintenance reminders, track inventories of equipment and replacement parts, and help analyze maintenance needs and ongoing issues. The Department should explore the benefits of such systems, once other information technology issues are addressed (see Finding II, pages 15 through 20).

Increased capital funds for 2002 and 2003 will reduce backlog of needs but not eliminate it—Part of the Department’s unmet need for maintenance will be addressed through increased funding for capital improvements in fiscal years 2002 and 2003. Department officials noted that maintenance and repair needs that cannot be funded are often deferred until they become issues that must be met through capital funding for building renewal. Building renewal projects differ from routine repairs in that they extend a building’s useful life. In recent years, most of the Department’s requests have been turned down. The Department submits its request for such projects to the Department of Administration, which prioritizes requests from all agencies in its building system and allocates its limited funds among all the agencies.¹ In fiscal year 2001, the Department of Administration funded only \$650,000 of the Department’s \$12.8 million building renewal request.

Over the next two fiscal years, however, the Department will receive funding for a greater share of its building renewal needs. The Legislature appropriated monies from the Corrections Fund sufficient to fully fund the amount calculated by the State’s building renewal formula for the Department for fiscal years 2002 and 2003. Thus, the Department will receive approximately \$5.5 million in fiscal year 2002 and approximately \$6 million in fiscal year 2003 for building renewal.²

¹ Arizona has three building systems. The Department of Transportation system consists of all buildings it owns or leases, including all locations of the Motor Vehicle Division. The Board of Regents system consists of buildings owned or leased for Arizona State University, the University of Arizona, and Northern Arizona University. All other buildings owned or leased by the State are within the Department of Administration building system.

² For fiscal year 2002, the Legislature also appropriated \$18.5 million for lock replacements, subject to the Legislature’s Joint Committee on Capital Review’s approval of a needs study that contains a spending plan and prioritizes projects Department-wide.

The Department has a backlog of 246 major building projects, totaling \$82.7 million.

Although this increase will allow the Department to reduce its backlog of building renewal projects, it will not eliminate the backlog of 246 major projects, totaling \$82.7 million. According to a Department official, this appropriation will allow the Department to address only about one-quarter of its current building renewal needs. The continued need heightens the importance of using contingency funds as fully as possible and implementing maintenance management systems.

Long-Term Planning Needed to Address Other Facilities Issues

The Department's focus on facilities is primarily short-term— To help the Department address long-term planning, such as replacement of deteriorating facilities and other related issues, it should consider forming a correctional facilities study committee. Such a committee could, for example, help establish priorities and develop strategies for meeting these priorities. Further, such a committee could address whether the Department's prison complexes should be removed from the Department of Administration's building system.

Prison facilities study committee could help Department— The Department should consider forming a prison facilities study committee to help it establish a facilities master plan and address other facilities issues. The study committee should include stakeholders and experts, including managers from the Departments of Corrections and Administration, and experts in building maintenance and correctional facilities management. The Board of Regents, the oversight entity for Arizona's three universities, formed a committee in 1996 that examined facility needs and made 28 recommendations for improving capital planning and building utilization on the campuses. Similarly, a prison facilities study committee could help the Department prioritize ongoing or deferred building maintenance, repair, and replacement needs, and establish a long-term strategy to meet those needs.

- **Facilities master plan**—The Department does not have a facilities master plan to assist it in making long-term facilities maintenance and renovation decisions. Without such a plan,

the Department cannot effectively plan for its facilities' ongoing and future maintenance needs. The Department has a policy defining a facilities master plan, which says the plan would contain information on facilities standards and criteria, adult inmate population projections, and future facilities needed to address projected inmate population growth. Even if the Department developed a plan according to this definition, it would lack sufficient information to allow the Department to make informed long-term facilities decisions. For example, the policy does not call for including the age and history of buildings, building renewal already completed, building maintenance needs, new site alternatives, or staff availability for proposed and existing facilities.

Prisons differ from most buildings within the Department of Administration's system.

- **Building system issue**—In addition to establishing a facilities master plan, the committee might also study the issue of removing Department of Corrections prison complexes from the Department of Administration building system. Prisons differ from most of the buildings within the Department of Administration's system, which are located in or near Phoenix and operate during business hours. In comparison, prisons are located throughout the State, from Yuma to Douglas and Tucson to Winslow, and operate around-the-clock. The Department of Transportation and the Board of Regents maintain their own building systems. Like the Department of Corrections, those agencies own or lease buildings in disparate geographic locations. The committee should determine if establishing the Department of Corrections as its own building system would streamline the building renewal process and produce a cost benefit.

Recommendations

1. The Department should consider forming a prison facilities study committee to establish a facilities master plan and assist in the Department's long-term facilities planning. The committee could also review the Department's current status as part of the Department of Administration building system and recommend any appropriate changes.
2. The Department should identify potential uses of unspent contingency funds starting at the beginning of each fiscal year, and begin prioritizing and planning projects as early as prudently possible.
3. The Department should explore the benefits of computerized maintenance management systems to allow the input and tracking of detailed information regarding preventive and corrective maintenance.

FINDING II

INSUFFICIENT OVERSIGHT AND PLANNING IMPEDE INFORMATION TECHNOLOGY EFFORTS

A lack of sufficient oversight and planning has impeded the Department's information technology (IT) efforts. First, insufficient oversight led to a limited tracking of costs, ongoing projects, and consultants. A recent reorganization of IT operations may help bolster oversight of the Department's efforts. In strengthening its management of IT, the Department needs to improve planning to focus its efforts on completing critical projects and provide better justification for future projects.

Insufficient Oversight Resulted in Limited Tracking of Costs, Major Projects, and Consultants

Historically, the Department has paid inadequate attention to IT efforts. The Department has not closely tracked its IT costs, resulting in high expenditures for IT operations. In addition, one poorly planned and inadequately monitored inmate medical records project is 22 months overdue, even though almost all the money originally estimated for completion has been spent. Further, the Department provided little oversight of its consultants and their activities. A recent reorganization of IT operations may help the Department address these oversight problems.

Limited tracking of costs resulted in high expenditures— Historically, the Department has not closely tracked its IT costs, which resulted in higher than necessary expenditures. The Department's IT Division spends approximately 34 percent of its non-personnel budget on Department of Administration (DOA) charges for mainframe use. The Department's AIMS (Adult Inmate Management System) resides on the DOA mainframe computer and the Department incurs charges for batch reports, data storage, and other services, as do all agencies that use DOA's Data Center services. DOA charges to the Department for these

While the Department spends most of its IT budget on Department of Administration charges for mainframe use, it could save almost 50 percent.

services have increased steadily, from approximately \$672,000 in fiscal year 1998 to \$1.6 million in fiscal year 2000.

According to Department officials, this required reallocating monies intended for other purposes to cover IT expenses. By monitoring its mainframe costs more carefully, the Department can do more to reduce them. For example, the Department would save 50 percent of DOA mainframe processing charges by running noncritical batch reports during non-prime-time hours. In fiscal year 2000, the Department paid \$304,000, or approximately 20 percent of all IT expenditures, to run batch reports during prime-time hours. The Department should meet regularly with DOA Data Center officials in an effort to better track costs and reduce expenditures where possible.¹

Inadequately monitored, poorly planned project remains unfinished—The Electronic Medical Records System (EMRS) project, designed to automate the retrieval and transfer of inmate medical records, fell behind schedule when the Department did not adequately monitor the software vendor. Specifically, the vendor significantly reduced project staffing and missed several critical project deadlines. As a result, the project, which was to be completed by September 1999, remains unfinished and most of the \$2.5 million budgeted for it has been spent. The Department's recent second budget request for an additional \$5.8 million, to complete the project and address infrastructure deficiencies not anticipated in the original project scope, was denied by the Legislature.

EMRS is two years behind schedule and will cost an additional \$5.8 million to complete.

Department provided little oversight of its consultants' activities—The Department did not monitor the need for IT consultants or their responsibilities. Specifically, the Department did not adequately monitor the need for Y2K consultants after January 1, 2000, and, as a result, still had eight consultants at an average cost of \$70 per hour as recently as January 2001. Although these consultants continued to work on a variety of IT projects, their duties were not clearly defined. The Department paid these consultants a total of over \$1 million between January 1, 2000 and April 30, 2001.

IT consultants were retained past their Y2K responsibilities and paid over \$1 million.

¹ These costs will also be lowered because DOA is reducing charges by approximately 34 percent in fiscal year 2002 as part of a statewide effort to consolidate data centers and achieve a cost savings for the State.

Recent reorganization of IT operations may help—To help avoid such problems in the future, the Department recently reorganized its IT operations. In November 2000, the Department created a new IT division, which reports to the deputy director of administration. The deputy director reorganized IT management, assigned staff to specific projects, and implemented monthly staff meetings and status reports to track the progress of active projects. The Department has also hired a new chief information officer, who has substantial experience in IT management, to head the new division.

There are indications that this reorganization is correcting some of the oversight problems that have plagued the Department's IT operations in the past. For example, the deputy director also reviewed the use of consultants in IT and reduced the number of consultants to two, with clearly defined AIMS-related project responsibilities. The Department's IT management also recently met with DOA officials and reduced the number of project accounting codes from 169 to 43, in order to simplify tracking of costs incurred by each prison complex and by specific projects at the Central Office.

Improved Planning Needed To Focus Efforts and Justify IT Projects

Although the IT management reorganization efforts are helpful, the Department still needs to make further improvements to IT planning. Better planning is needed both to focus IT efforts on key Department projects and to ensure that requests for future projects are adequately justified.

Key IT efforts require better focus—The Department has not developed realistic plans to guide key IT projects and efforts. Although the Department has a three-year IT plan, management notes that the plan has not been realistic in terms of project specifications or resources. Prior to fiscal year 2001, the plan was developed by IT staff who lacked experience in the budget process. As a result, the Department did not include projects totaling \$44 million in its fiscal year 1999 legislative budget request. Further, the three-year IT plan was not closely tied to the Department's

The Department IT plan has not been realistic in terms of project specifications or resources.

strategic plan. Incorporating the IT plan into the strategic plan would help ensure the IT Division's projects and efforts are supporting Department goals and objectives.

Two of five IT project requests were returned by GITA; the remaining three were denied by the Legislature.

Important IT projects require adequate justification—The Department's lack of planning has negatively affected approval of ongoing and future IT projects. In fiscal years 2000 and 2001, the Department submitted four projects to the Government Information Technology Agency (GITA) for review and approval.¹ These projects, in addition to the aforementioned Electronic Medical Records System (EMRS) project, represent major IT efforts that the Department should address in order to improve its operations, including:

- **Local Area Network/Wide Area Network (LAN/WAN)**—The Department does not have a complete LAN/WAN² to run critical systems, such as EMRS and AIMS. Currently, basic LAN/WAN access exists at only five of the Department's ten prison complexes.
- **Adult Inmate Management System (AIMS)**—The Department uses AIMS to record all inmate information and calculate their sentence lengths. Department staff continue to manually check all AIMS sentence calculations due to questions about the system's accuracy and reliability. Some calculations performed by AIMS would release inmates too early or hold others too long, but because the Department lacks documentation of the system, its staff never know where such errors might occur.
- **Arizona Criminal Justice Information System (ACJIS)**—This is a statewide and national effort to upgrade the primary criminal information system. Lack of an ACJIS upgrade will impact the Department's ability to exchange criminal infor-

Department staff must manually check all inmate sentence calculations.

¹ According to A.R.S. §41-3504(A)(1)(g), GITA reviews IT projects with a total cost over \$1 million and recommends them to the Information Technology Advisory Committee (ITAC). ITAC controls final approval of such projects, under A.R.S. §41-3521(C)(3).

² Such networks consist of computers linked by high-speed cables, which gives employees immediate access to critical information, the ability to share data, and access-shared software programs.

mation with the Arizona Department of Public Safety and other criminal justice agencies.

- **IT Disaster Recovery Site**—Currently, the Department does not have any disaster recovery site or capabilities in the event of a major catastrophe or system failure.

Despite the need to improve its IT systems, the Department's AIMS and disaster recovery site project requests were returned by GITA. The project requests were incomplete and did not consider other less-expensive alternatives. Therefore, GITA could not determine if the Department was adequately planning for IT project development and implementation. Specifically, the disaster recovery site request did not mention potential cost savings of approximately \$75,000 to \$90,000 annually, which might have influenced GITA's review of the project. Department management acknowledges that the returned project requests were developed quickly and did not include all pertinent information.

Further, three project requests that passed GITA's review were not adequately justified to meet legislative approval. In January 2001, the Legislature denied the Department's budget requests for the LAN/WAN, EMRS completion, and ACJIS upgrades. One legislative analyst noted that confusion over the criticality of Department IT needs stems from multiple ongoing projects, late development of the project specification documents, and historical concerns about IT oversight and planning.

Recommendations

1. The Department should continue its recently increased top-management oversight of IT efforts, specifically by:
 - a. Continuing monthly IT status reports and meetings, and
 - b. Reviewing IT Division internal staffing and external consultants to ensure they are appropriately allocated to the Department's IT projects.
2. The Department should track, review, and reduce internal IT costs. In particular, the Department should meet regularly with DOA Data Center officials in an effort to understand and reduce expenditures for DOA mainframe computer use; for example, by using DOA's lower non-prime-time processing rates.
3. The Department should improve its IT planning by:
 - a. Revising the Department's three-year IT plan to incorporate needed IT projects, such as completion of a LAN/WAN, and
 - b. Incorporating the IT Plan into the Department's strategic plan.
4. The Department should ensure that its IT project proposals submitted to the Government Information Technology Agency (GITA) contain complete information and demonstrate adequate planning for project development and implementation.

OTHER PERTINENT INFORMATION

During the audit, auditors developed information regarding the Department's inmate phone system. This information answers questions raised by legislative staff and inmate advocates about rates charged for phone calls made by inmates and the use of those revenues.

The Department's Inmate Phone System

The Department contracts with a phone service provider for personal calls made by inmates during their incarceration. The phone system allows inmates to make collect calls under conditions established by the Department, and incorporates security features, such as blocking access to "800" and "900" phone numbers; preventing three-way calling or call forwarding; and enabling call monitoring and tracking. The provider pays the Department 40 percent of revenues for such calls. The Department's share of these revenues equaled \$3.67 million in fiscal year 2000.

Inmate phone privileges vary based on their security classification. For example, the highest-security inmates are restricted to one five-minute phone call per week, while the lowest-security inmates can make up to 210 minutes of calls per week. The Department limits each inmate to a pre-approved list of 10 phone numbers for personal calls. Court-ordered legal calls are provided at no cost to inmates. Inmates cannot receive incoming phone calls, or make any calls other than collect calls.

Although expensive, call costs are comparable—Although the rates charged for inmate phone calls are expensive, they are comparable to rates charged for public telephones and by other states' correctional systems. Charges for collect calls from inmates are higher than charges for outgoing direct-dialed calls using residential phone service or per-minute calling plans. However, they are comparable to other collect calls. The provider charges the same rate of \$1.91 for local inmate calls as for

The Department's inmate phone system incorporates additional security features.

Charges for local inmate calls are the same as for the public, while long-distance rates are lower.

operator-assisted collect calls from a pay telephone, and actually charges lower long-distance rates for inmate calls than for calls made from a pay telephone: \$4.94 for the first minute and \$.69 for each additional minute, compared to \$6.18 and \$.89 for the public.¹

The Department's rates are also comparable to or lower than those charged by other states' correctional systems. According to a recent study, four other states charge an average of a \$1.94 flat rate for operator-assisted local calls (see Table 3, page 23).² By comparison, the Department's flat rate is \$1.91 for local calls. These states also average \$1.84 for operator assistance fees and \$.26 per minute thereafter for in-state, non-local calls, while the Department's phone service provider charges \$1.56 in operator assistance fees and \$.30 per minute for the same type of call.

Statute specifies Department's use of phone system revenues— Arizona law restricts the Department's use of revenues generated from the inmate phone system. These revenues, together with certain other income, such as profits from the inmate stores, go into the Special Services Fund established by A.R.S. §41-1604.03. This statute requires the Department to use monies in the Fund for "the benefit, education and welfare of committed offenders" and to pay for a telephonic victim notification system. Further, it requires the Department to submit an annual report to the Legislature that includes a full account of Fund transactions relating to the inmate telephone system for the preceding fiscal year.

Inmate phone system revenues must be used for "the benefit, education and welfare of [inmates]."

Legislation transferred a total of \$2 million to the State General Fund during fiscal years 2000 and 2001.

In fiscal year 2000, the Department used Fund monies for several purposes, including recreational uniforms, paralegal services, closed-circuit television cabling, the Victim Information Notification Everyday (VINE)³ system, and reimbursements for inmate-

¹ According to a representative from the Arizona Corporation Commission, phone service providers may apply a fully assisted operator rate for all inmate phone calls because of the system's added security features, even though all calls are processed with a highly automated operator system.

² Idaho Office of Performance Evaluation, *Inmate Collect Call Rates and Telephone Access: Opportunities to Address High Phone Rates*. Report No. 01-01, January 2001.

³ The VINE system uses computer-generated phone calls to immediately notify all registered victims of an inmate's escape or release from custody.

Table 3

**Arizona Department of Corrections
Comparison of Inmate Telephone Rates in Arizona
and Selected Other States
As of May 2001**

Type of Call^a	Arizona	Florida	Idaho	Nevada	Utah	Averages
Local operator-assisted: Flat rate/call	\$1.91	\$2.10	\$1.91	Not Available	\$2.11	\$1.94
In-state long distance: Operator assistance fee	\$1.56	\$1.75	1.77 ^b	\$1.27	\$1.76	\$1.84
Per minute charges	.30	.30	.26	.14	.12	.26

^a Prices reflect calls placed during weekday afternoons.

^b Average for Idaho Department of Corrections.

Source: Auditor General staff summary of the Idaho Office of Performance Evaluation Report No. 01-01, January 2001, and the Arizona Department of Corrections' inmate phone system contract for the year ended June 30, 2001.

on-inmate assaults and self-inflicted injuries, which appear appropriate according to statute. In previous years, the Department has also used Fund monies for special projects, such as renovating inmate recreational and visitation areas, supplies for inmate banking, and start-up of inmate stores at new prison complexes. These expenditures appear appropriate based on the broad statutory language that established the Special Services Fund. Additionally, legislation transferred \$3 million of these revenues to the State General Fund during fiscal years 1999 through 2001 and \$1 million to the Corrections Fund for fiscal year 2002.

(This Page Intentionally Left Blank)

AGENCY RESPONSE



(This Page Intentionally Left Blank)



August 21, 2001

Debra K. Davenport
Auditor General
State of Arizona
2910 North 44th Street, Suite 410
Phoenix, Arizona 85018

Re: Response to Administrative Services and Information Technology Subprograms Audit

Dear Ms. Davenport:

Thank you for the opportunity to review the performance audit of the Administrative Services and Information Technology subprograms. I believe the report accurately reflects the performance levels of these functions, and also identifies areas for continued development and improvement.

Enclosed you will find our responses to the seven formal recommendations in the report. We concur with the recommendations and appropriate steps will be taken to implement each of them.

Thank you again for the opportunity to review and respond to the report.

Sincerely,

Terry L. Stewart
Director

TLS/DL/s

Enclosure

RESPONSE TO AUDITOR GENERAL REPORT RECOMMENDATIONS
Administrative Services and Information Technology Subprograms Audit

FINDING I: The Department Can Improve Facilities Maintenance Management

Recommendation 1: The Department should consider forming a prison facilities study committee to establish a facilities master plan and assist in the Department's long-term facilities planning. The committee could also review the Department's current status as part of the Department of Administration building system and recommend any appropriate changes.

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

Recommendation 2: The Department should identify potential uses of unspent contingency funds starting at the beginning of each fiscal year, and begin prioritizing and planning projects as early as prudently possible.

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

Recommendation 3: The Department should explore the benefits of computerized maintenance management systems to allow the input and tracking of detailed information regarding preventive and corrective maintenance.

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

FINDING II: Insufficient Oversight and Planning Impede Information Technology Efforts

Recommendation 1: The Department should continue its recently increased top-management oversight of IT efforts, specifically by:

1. Continuing monthly IT status reports and meetings, and
2. Reviewing IT Division internal staffing and external consultants to ensure they are appropriately allocated to the Department's IT projects.

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

The Department is currently following this recommendation and will continue to do so.

Recommendation 2: The Department should track, review, and reduce internal IT costs. In particular, the Department should meet regularly with DOA Data Center officials in an effort to understand and reduce expenditures for DOA mainframe computer use; for example, by using DOA's lower non-prime-time processing rates.

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

IT management and personnel are currently reviewing DOA billings monthly and will continue to meet with DOA representatives regularly to monitor system usage patterns and identify areas where expenditures can be reduced.

IT personnel have taken the following actions in the past few months to help control and reduce DOA expenditures:

1. Modified and rewritten several AIMS transactions to improve their performance and reduce response times. One modified transaction, DI14, has resulted in a reduction of 25% in response times and 40% in printing costs.
2. IT started reviewing and moving prime shift jobs and reporting to non prime times in March of this year. This effort will continue.

A major concern is that the Department does not have input into rate setting by DOA. DOA can change rate charge formulas, specifically their "speed factor," at any time without notification to the Department.

Recommendation 3: The Department should improve its IT planning by:

1. Revising the Department's three-year IT plan to incorporate needed IT projects, such as completion of a LAN/WAN, and
2. Incorporating the IT Plan into the Department's strategic plan.

The finding of the Auditor General, recommendation 3a, is agreed to and the audit recommendation will be implemented.

The Department's three-year IT plan is currently being revised to address technology issues that impact the agency's ability to effectively satisfy its mission. Objectives within this plan focus on implementing or improving:

- telecommunications infrastructure
- networks (WAN/LAN)
- computer applications
- customer service, support, and tracking

The finding of the Auditor General, recommendation 3b, is agreed to and the audit recommendation will be implemented.

IT's planning process has been changed recently and the IT plan has been aligned with the Department's strategic plan and the IT program/subprogram strategic plan to ensure that IT projects continue to be focused on meeting State and Department core business objectives.

In addition, GITA's Statewide IT Strategic Direction and Vision goals and objectives will also be aligned with the Department's strategic plans.

Recommendation 4: The Department should ensure that its IT project proposals submitted to the Government Information Technology Agency (GITA) contain complete information and demonstrate adequate planning for project development and implementation.

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

IT has been interacting with GITA analysts to facilitate developing comprehensive project proposals and to maintain an effective working relationship, which draws upon GITA expertise and support.

GITA reviewed and quickly approved the Department's last two Project Investment Justifications for the COPS Video Conferencing project and for the Remote Network Access project. An additional IT Planning Analyst has been hired to expand training and support for IT staff in preparing, submitting and tracking project proposals and reports.

In addition, the Department agrees with the concerns expressed in the Auditor General Report over the lack of a disaster recovery plan for the Department. Development of a plan will be actively pursued. The Department is equally concerned over the lack of a disaster recovery plan at DOA. Should the DOA data center experience a major outage, the Department's critical AIMS system would be inoperable, affecting every Department prison complex throughout the state.

Other Performance Audit Reports Issued Within the Last 12 Months

- | | |
|---|--|
| 01-1 Department of Economic Security—
Child Support Enforcement | 01-10 Department of Public Safety—
Licensing Bureau |
| 01-2 Department of Economic Security—
Healthy Families Program | 01-11 Arizona Commission on the Arts |
| 01-3 Arizona Department of Public
Safety—Drug Abuse Resistance
Education (D.A.R.E.) Program | 01-12 Board of Chiropractic Examiners |
| 01-4 Arizona Department of
Corrections—Human Resources
Management | 01-13 Arizona Department of
Corrections—Private Prisons |
| 01-5 Arizona Department of Public
Safety—Telecommunications
Bureau | 01-14 Arizona Automobile Theft
Authority |
| 01-6 Board of Osteopathic Examiners in
Medicine and Surgery | 01-15 Department of Real Estate |
| 01-7 Arizona Department
of Corrections—Support Services | 01-16 Department of Veterans' Services
Arizona State Veteran Home,
Veterans' Conservatorship/
Guardianship Program, and
Veterans' Services Program |
| 01-8 Arizona Game and Fish Commission
and Department—Wildlife
Management Program | 01-17 Board of Dispensing Opticians |
| 01-9 Arizona Game and Fish
Commission—Heritage Fund | |

Future Performance Audit Reports

Department of Corrections—Arizona Correctional Industries

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