

Arizona Foster Care Tuition Waiver Pilot Programs

Programs have helped recipients attend college, but the Programs' data management and implementation need improvement

Performance Audit

June 2017
Report 17-106



A Report to the Arizona Legislature

Debra K. Davenport
Auditor General





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, investigates possible misuse of public monies, and conducts performance audits and special reviews of school districts, state agencies, and the programs they administer.

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Audit Staff

Dale Chapman, Director

Marc Owen, Manager and Contact Person

Katherine Grzybowski, Team Leader

Erica C. Nickerson

John Shown

Contact Information

Arizona Office of the Auditor General

2910 N. 44th St.

Ste. 410

Phoenix, AZ 85018

(602) 553-0333

www.azauditor.gov



DEBRA K. DAVENPORT, CPA
AUDITOR GENERAL

STATE OF ARIZONA
OFFICE OF THE
AUDITOR GENERAL

MELANIE M. CHESNEY
DEPUTY AUDITOR GENERAL

June 29, 2017

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Transmitted herewith is a report of the Auditor General, *A Performance Audit of the Arizona Foster Care Tuition Waiver Pilot Programs*. This report is in response to Arizona Revised Statutes §15-1809 and was conducted under the authority vested in the Auditor General by Arizona Revised Statutes §41-1279.03. I am also transmitting within this report a copy of the Report Highlights for this audit to provide a quick summary for your convenience.

As outlined in their responses, the Arizona Board of Regents and most of the community college districts agree with the findings and plan to implement or implement in a different manner most of the recommendations directed to them.

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

Sincerely,

Debbie Davenport
Auditor General

June 29, 2017

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cc: The Honorable Steve Yarbrough, President, Arizona State Senate
The Honorable J. D. Mesnard, Speaker, Arizona House of Representatives
The Honorable Michele Reagan, Arizona Secretary of State
Arizona Board of Regents members
Yuma/La Paz Counties Community College District Governing Board members
Pinal County Community College District Governing Board members
Cochise County Community College District Governing Board members
Coconino County Community College District Governing Board members
Graham County Community College District Governing Board members
Maricopa County Community College District Governing Board members
Mohave County Community College District Governing Board members
Navajo County Community College District Governing Board members
Pima County Community College District Governing Board members
Yavapai County Community College District Governing Board members
Dr. Michael M. Crow, President, Arizona State University
Dr. Rita Hartung Cheng, President, Northern Arizona University
Dr. Robert C. Robbins, President, The University of Arizona

Attachment



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.



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Scope and objectives

The Office of the Auditor General has conducted a performance audit of the Arizona Foster Care Tuition Waiver Pilot Programs (Programs) developed by the Arizona Board of Regents (ABOR) and each community college district in Arizona, pursuant to Arizona Revised Statutes (A.R.S.) §15-1809(C). This audit was conducted under the authority vested in the Auditor General by A.R.S. §41-1279.03. As required by A.R.S. §15-1809(C), this report addresses the Programs' effectiveness.

Programs' background, history, and provisions

In 2013, the Legislature enacted A.R.S. §15-1809, which requires ABOR and the community college districts to each establish a pilot program to waive tuition and mandatory fees (waiver) for current and former foster youth who meet certain eligibility requirements (see textbox, page 2).¹ These Programs are designed to assist current and former foster youth in attending a university or community college in Arizona by removing potential financial barriers. The Programs first began awarding waivers in the spring 2014 semester. Pursuant to statute, the Programs are set to terminate on July 1, 2018.²

Postsecondary education financial assistance waiver programs developed nation-wide to assist youth in foster care—

Research suggests that individuals who were in foster care may fall behind the general population in several key areas, such as educational achievement, employment stability, and income level, and that former foster youth are more likely to be homeless or incarcerated than their peers who did not experience foster care. For example, research has shown that individuals who experienced foster care graduate from high school and college at rates significantly below those of their peers, even when compared to other students from low-socioeconomic backgrounds.³ In recent decades, increasing concern about foster youths' educational and life outcomes has led to the passage of federal and state legislation aimed at helping to promote foster youths' successful transition to adulthood, including postsecondary education tuition waiver, scholarship, and grant programs to help address the gaps between former foster youths' educational outcomes and those of the general population. In 2001, the federal government created the Education and Training Voucher (ETV) program, which sets aside federal funding to support postsecondary education and training for current and former foster youth by providing up to \$5,000 per year for postsecondary educational expenses.⁴ Similar to

¹ ABOR delegated implementation of its Program to each state university. In addition, the following Arizona county community college districts must develop Programs for awarding waivers to current and former foster youth: Cochise County Community College District, Coconino County Community College District, Graham County Community College District (Eastern Arizona College), Maricopa County Community College District, Mohave County Community College District, Navajo County Community College District (Northland Pioneer College), Pima County Community College District, Pinal County Community College District (Central Arizona College), Yavapai County Community College District, and Yuma/La Paz Counties Community College District (Arizona Western College).

² Pursuant to statute, if the Programs are terminated before a waiver recipient obtains a degree or certificate and before he/she reaches age 23, the recipient will continue to be awarded a waiver until he/she turns 23 or completes his/her degree, as long as the recipient continues to meet the eligibility requirements.

³ Courtney, M., Dworsky, A., Brown, A., Cary, C., Love, K., & Vorhies, V. (2011). *Midwest evaluation of the adult functioning of former foster youth: Outcomes at age 26*. Chicago, IL: Chapin Hall at the University of Chicago; Pecora, P., et al (2005). *Improving family foster care: Findings from the Northwest foster care alumni study*. Seattle, WA: Casey Family Programs; Day, A., Dworsky, A., & Feng, W. (2013). An analysis of foster care placement history and post-secondary graduation rates. *Research in Higher Education Journal*, 19, 1-17; and Barrat, V. X., Berliner, B., & Felida, N. J. (2015). *Arizona's invisible achievement gap: Education outcomes of students in foster care in the state's public schools*. San Francisco, CA: WestEd.

⁴ 42 United States Code §677(i).

Eligibility requirements

To receive a waiver, an applicant must:

- Be a U.S. citizen or a noncitizen who is lawfully present;
- Be at least age 16 and in foster care or was in foster care, or was adopted from foster care after age 16;
- Be under 23 years of age;¹
- Be accepted or enrolled at one of Arizona's state universities or county community colleges;²
- Have total personal assets, not including scholarships or grants, that are worth less than \$10,000;
- Complete a free application for federal student aid (FAFSA); and
- Have tuition and/or mandatory fee charges that have not been paid for by other federal and public grants and scholarships.³

To receive subsequent waivers, the recipient must continue to meet the above eligibility requirements and must also:

- Demonstrate continuous progress toward a degree or certificate;
- Remain in good standing with the policies established by the university or community college at which the person is enrolled; and
- Complete at least 30 hours of volunteer service during the previous academic year.

¹ In 2015, the Legislature modified the Programs to allow an applicant to receive a waiver if he/she is under age 23. Prior to the modification, applicants had to receive a waiver before the applicant's 21st birthday in order to continue to be eligible for a waiver until age 23.

² The state universities are Arizona State University, Northern Arizona University, and The University of Arizona.

³ The ETV program shall not be used to pay for tuition and mandatory fees prior to awarding a waiver.

Source: Auditor General staff summary of A.R.S. §15-1809 and ABOR's website.

Arizona, several states have also established state-level postsecondary education financial assistance programs for foster youth. As of April 2017, auditors identified 29 other states that have established a program to provide tuition waivers, scholarships, or grants to help foster youth obtain a postsecondary education (see Appendix A, pages a-1 through a-10).

Programs' development in Arizona—Various stakeholders have worked to develop and implement the Programs in Arizona (see textbox, page 3). When the legislation establishing Arizona's waiver Programs was passed, a children's advocacy group based in Arizona (Advocacy Group) hosted stakeholder meetings to discuss implementation of the Programs, including processes for determining applicants' eligibility and collecting data. Various stakeholders attended the meetings, including representatives from the Advocacy Group, ABOR, some community college districts, each state university, the Arizona Department of Child Safety (DCS), and the legislative sponsor. During this process, it was determined that an outside nonprofit service provider (Provider) that serves college-bound foster youth nation-wide would: 1) provide an online application for current and former foster youth in Arizona to apply for the Programs, and 2) collect data to be used to assess the effectiveness of the Programs (see Finding 1, pages 7 through 17, for more information on data collection and the Programs' effectiveness). The Provider was already administering the ETV program for Arizona and created a joint application for both the ETV program and Arizona waiver Programs, which allows current and former foster youth to apply for both programs at the same time.⁵ In addition, the Provider developed a process in coordination with the DCS to verify that applicants meet the foster care eligibility requirement, and developed a method for collecting information about the Programs from the universities and community college districts.

Process for applying for and awarding the waiver—The Programs' waiver application, verification, and award process includes the following steps:

1. **Current and former foster youth apply for the waiver**—To apply for a waiver, current and former foster youth must submit an online application on the Provider's website and indicate at which university or

⁵ The DCS has contracted with the Provider to administer the ETV program. This contract requires the Provider to host the ETV application, verify applicants meet the ETV eligibility requirements, and disperse ETV monies to eligible applicants.

community college district the applicant wants to be considered for a waiver.⁶

2. **DCS verifies applicant meets the foster care eligibility requirement**—After an applicant has applied, the DCS can view the applicant's information in an online portal (portal) that the Provider created. The DCS will then verify whether or not the applicant meets the foster care eligibility requirement. After making this determination, the DCS notifies the Provider if the applicant does or does not meet the foster care eligibility requirement. A DCS representative reported that he checks the portal at least twice a week to determine if applicants are waiting for the DCS to verify if they meet the foster care eligibility requirement.
3. **Provider sends applicant's information to universities and community college districts**—If the DCS has determined that the applicant meets the foster care eligibility requirement, the Provider sends the application information to the appropriate university or community college district. If the applicant does not meet the foster care eligibility requirement, the Provider reported that it notifies the applicant directly.
4. **Universities and community college districts determine eligibility and award waivers**—After receiving the application information, staff at the appropriate university or community college district should verify whether the applicant meets the other statutory requirements. For example, to determine whether an applicant has less than \$10,000 in personal assets, university or community college district staff may check what assets the applicant reported on the FAFSA. In addition, a waiver should be granted only if an applicant has any tuition and mandatory fee charges that have not been covered by the applicant's other federal and public grants and scholarships.⁷ Therefore, university and community college district staff would need to determine the total of the applicant's tuition and mandatory fees, and then subtract any federal or public grants and scholarships the applicant received to determine whether the applicant has any unmet financial need (see Table 1, page 4, for an example of waiver funding). If the applicant meets the statutory requirements and has any unmet financial need related to tuition and

Entities involved in Programs' implementation

Advocacy Group—Hosted initial stakeholder meetings and contracted with the Provider (see below) to host the Programs' online application and collect data on the Programs. As part of this contract, the Advocacy Group paid the Provider for its services.¹

Provider—Hosts the Programs' online application, makes applicants' information available to the DCS and the universities and community college districts to verify eligibility, collects volunteer service forms showing waiver recipient's compliance with the 30-hour volunteer service requirement, and collects data on the Programs.

DCS—Verifies whether applicants meet the foster care eligibility requirement.

ABOR—Required to develop a pilot program for providing a tuition and fee waiver to qualified applicants at the State's universities. ABOR delegated implementation of its Program to the universities (see below).

Universities—Implement the Programs on behalf of ABOR, including verifying whether applicants meet the eligibility requirements, awarding waivers, and reporting information back to the Provider.

Community college districts—As required, developed pilot programs for providing a tuition and fee waiver to qualified applicants, including verifying whether applicants meet the eligibility requirements, awarding waivers, and reporting information back to the Provider.

¹ The Provider reported that ABOR, the universities, and the community college districts do not pay the Provider for its services.

Source: Auditor General staff analysis of A.R.S. §15-1809, the Advocacy Group's contract with the Provider, and interviews and/or observations with the involved entities.

⁶ The Provider reported that applicants can request that their application be sent to only one university or community college district because applicants must be enrolled in order to have financial aid information verified. If an applicant decides to enroll in a different school than originally indicated, the Provider sends the application to the applicant's new school of choice.

⁷ The ETV program is an exception, as it should not be used to pay for tuition and mandatory fees prior to awarding a waiver.

mandatory fees, then the universities and community college districts should award the applicant a waiver to cover the outstanding amount.^{8,9}

5. Universities and community college districts report information back to the Provider

—After university and community college staff decide whether or not to award a waiver, they should enter information in the portal, such as the dollar amount of the waiver awarded, or if a waiver was not awarded, the reason it was denied. In addition, university and community college district staff should enter other information into the portal, such as whether the applicant received a Pell Grant, the dollar amounts of other scholarships and grants the applicant received, whether the applicant accepted any loans, and whether the applicant lives on campus.¹⁰

Table 1
Example of unmet financial need waiver calculation for a waiver recipient
Fall 2014 semester

Tuition and mandatory fees	\$5,499
Federal or public grants and scholarships awarded to waiver recipient	
Pell Grant	(2,865)
University grant	(1,135)
Unmet financial need, to be waived	\$1,499

Source: Auditor General staff analysis of a waiver recipient's unmet financial need.

Waiver recipients must complete 30 hours of volunteer service annually in order to remain eligible for the Programs.¹¹ The Provider reported that it contacts all waiver recipients to inform them of the 30-hour volunteer service requirement. The Provider also collects volunteer service forms showing the organization the recipient volunteered at, how many volunteer hours the recipient completed, and the name of the recipient's volunteer supervisor. According to the Provider, it modifies the applicant's record in the portal to indicate whether a recipient completed the volunteer service requirement so that the universities and community college districts can see whether the applicant completed the volunteer hours when considering them for a subsequent waiver.

Programs have awarded more than \$550,000 in waivers—According to data provided by the universities and community college districts, from the spring 2014 through the fall 2016 semesters, the universities and community college districts waived \$550,717 in tuition and mandatory fees (see Table 2, page 5). Specifically, the universities have waived \$542,743 in tuition and mandatory fees for 130 recipients, and the community college districts have waived \$7,974 for 12 recipients.¹² During this time frame, 966 current and former foster youth applied for the Programs. The universities waived an average of \$4,175 per recipient and the community college districts

⁸ One community college district has established a supplemental form that applicants who have been determined eligible to receive a waiver must complete and return to the community college district in order to be awarded a waiver (see Finding 2, page 22, for more information about this requirement).

⁹ Two community college districts have established caps on the number of credit hours that recipients can earn using a program waiver. Specifically, these two community college districts have established a cap of 16 credit hours per semester that recipients can earn with a waiver, and one of the two community college districts also established a cap of 64 total credit hours that recipients can earn using a program waiver. One community college district reported that it implemented the 16-credit hour cap for its Program to establish a per semester value for the waiver benefit. The 16-credit hour per semester value exceeds the minimum credit hour threshold for a student to be considered "full-time," as defined in A.R.S. §15-1804. In addition, ABOR had established a cap in its policy that a recipient can receive a waiver until the recipient either receives a baccalaureate degree or obtains 144 credit hours, but removed this cap from its policy in April 2017. Because credit hour caps are not prohibited or required by Arizona statute, ABOR and the community college districts can establish uniform criteria for determining tuition status, such as establishing credit hour caps for tuition waivers at their respective institutions. Auditors' review of 29 states that have established tuition waiver, scholarship, or grant programs for foster youth found that 15 states' statutes have placed caps on the number of credit hours or types of degrees that recipients can earn using a waiver (see Appendix A, pages a-3 through a-4).

¹⁰ Universities and community college districts are asked to report this additional information as part of the ETV program.

¹¹ Waivers are awarded on a semester basis; however, the volunteer requirement only applies to an academic year. Therefore, if an applicant is awarded a waiver in a fall semester, the recipient could also receive waivers for the spring and summer semesters without having to complete volunteer hours. However, in order to receive a waiver in the fall semester of the next academic year, the recipient would need to complete 30 hours of volunteer service.

¹² Applicants can receive a waiver for each semester they are enrolled until age 23, as long as they meet the statutory eligibility requirements and have unmet financial need. Approximately 72 of the 142 recipients received a waiver for more than one semester.

Table 2
Numbers of waiver applicants and recipients and dollar amounts of waivers awarded by institution
Spring 2014 through fall 2016 semesters
(Unaudited)

	Waiver applicants per institution ^{1,2}	Waiver recipients per institution	Total amount of tuition and mandatory fees waived
Universities			
Arizona State University	129	70	\$324,670
Northern Arizona University	46	32 ³	95,129
University of Arizona	44	28	122,944
Total universities	219	130	542,743
County community college districts			
Cochise	10	0	0
Coconino	13	0	0
Graham	6	0	0
Maricopa	477	4	1,913
Mohave	12	1	264
Navajo	3	0	0
Pima	144	3	1,614
Pinal	23	1	1,416
Yavapai	35	3	2,767
Yuma/La Paz	24	0	0
Total county community college districts	747	12	7,974
Total universities and community college districts	966	142	\$550,717

¹ During the spring 2014 through the fall 2016 semesters, current and former foster youth may have applied to and/or received a waiver from more than one institution. The current and former foster youth were counted within each institution to which they applied and/or received a waiver and therefore may be counted more than once in the total applicant and recipient categories.

² The number of applicants is limited to applicants who the DCS determined had met the foster care eligibility requirement.

³ This number includes one recipient who did not apply for a waiver.

Source: Auditor General staff analysis of applicant data provided by the Provider and financial aid data for waiver recipients provided by the universities and the community college districts, and information reported by Northern Arizona University officials.

waived an average of \$665 per recipient.¹³ The waiver amounts ranged from \$14 to \$10,330 per academic year.¹⁴ According to the Provider's data, the two most common reasons university and community college district staff entered for why applicants did not receive a waiver were: 1) the applicant did not enroll in classes, and therefore had no tuition or fees to waive, or 2) the applicant had sufficient financial aid from other sources to cover the cost of tuition and fees.¹⁵

¹³ Average waiver amounts were calculated by dividing the total dollar amount of tuition and mandatory fees waived by the total number of individual applicants at the universities and community college districts.

¹⁴ Waivers are awarded on a semester basis. This audit reports annual figures rather than semester figures because the universities reported financial aid data by academic year.

¹⁵ ABOR requires the universities to set aside a percentage of resident tuition to award to students with demonstrated financial need. ABOR reported that some current and former foster youth are likely to receive awards from each university's set aside monies, thereby reducing or eliminating their unmet financial need.

Universities and community college districts do not receive funding to pay for waivers—A.R.S. §15-1809 does not provide the universities and community college districts with funding to pay for the waivers. The universities and community college districts reported that they have been either accounting for the waiver as lost revenue or using other monies to pay for the waivers. For example, one university reported that the waiver is considered lost revenue, and that the revenue is not recovered from other monies. The other two universities reported using tuition revenue from other students to pay for waivers. In addition, one community college district reported that it used money from its general operating fund, which comprises property taxes and tuition revenue, to pay for the waivers.



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

Although the Arizona Foster Care Tuition Waiver Pilot Programs (Programs) developed by the Arizona Board of Regents (ABOR) and community college districts have helped some eligible current and former foster youth by providing a tuition and mandatory fee waiver (waiver), data management needs improvement and some changes to requirements or additional supports may increase the Programs' reach. Feedback from waiver recipients suggests that the Programs have assisted current and former foster youth in obtaining a college education. However, systematic assessment of the Programs' effectiveness has been limited by a lack of comparative data, the Programs' short duration, and inadequate data collection. To better manage and evaluate the Programs' effectiveness, the community college districts, and ABOR in collaboration with the universities, should improve their data management processes, including data collection and reporting. In addition, literature and input from waiver recipients suggest that some changes to requirements and additional supports may increase the Programs' reach and further help meet the Programs' goals.

Tuition waivers have helped recipients attend college

Current and former foster youth who have received waivers through the Programs reported that the waiver positively impacted their ability to attend and succeed in college by easing financial constraints. As mentioned in the Introduction (see page 4), from the spring 2014 through fall 2016 semesters, 142 current and former foster youth received waivers totaling more than \$550,000. Auditors conducted focus groups or received written comments from seven waiver recipients to learn about their experiences participating in the Programs. The following themes emerged from the recipients' feedback:

- **Attending college is key to improving life circumstances**—Recipients identified pursuing a college education as a vital step in improving their life circumstances (see textbox, page 8). For example, one recipient described coming from a background where he thought he was more likely to be incarcerated than attend college, but described making efforts in high school to qualify for college admission so he could increase his opportunities and improve his situation. Another recipient stated that a college education opens employment options that would otherwise be unavailable.
- **Receiving a waiver helped recipients overcome financial barriers to attending college**—Recipients reported that receiving a waiver helped them attend college when they otherwise might not have been able to afford it. Three recipients identified finances and needing to work as the most significant obstacles to attending college, and reported that the waiver provided a way to help overcome those obstacles. For example, one recipient said that after graduating high school, he realized he did not have a way to pay for college. Despite efforts to improve his high school grade point average (GPA) after being put in foster care, poor grades from earlier in school kept his GPA too low for many scholarships. The recipient said he felt his efforts to succeed in high school had ultimately not provided a way for him to change his life until he found out about the Programs. He enrolled in college and received a waiver the first semester the Programs were implemented, and has continued to receive waivers through succeeding academic years.

Recipient comments on the opportunity to attend college and the impact of receiving a waiver

- “I think it's changed my life drastically. I don't take it for granted. I think about it every day.... In the world we live in there are only so many different institutions you can fall into. Where I come from, with the influences and opportunities there, I'd probably be in prison. I'm glad I'm in school, trying to better myself, learning every day.”
- “I have been blessed to have such a gift. As a senior the spring will be my last major semester and so it is fortunate to know that when I graduate I will have little to no debt thanks to the Foster Care Tuition Waiver.... I hope that future students may be able to receive this great gift like I did.”
- “This type of financial help really helps me feel important, validated, like people do care about me, and want me to succeed.... It motivates me to work hard in school and stay eligible to receive this. It's such a nice program. I want to do them proud. I want to succeed.”

Source: Auditor General staff focus groups with waiver recipients and written comments provided by waiver recipients.

Two recipients reported that although they would still have been able to attend school without the waiver, receiving it helped alleviate financial stress and allowed them to focus on academic success. For example, one recipient said that receiving the waiver has allowed her to finish her degree faster because without the waiver, she would have been able to afford to enroll only part-time in college. Three recipients reported that receiving the waiver has allowed them to avoid taking out loans to cover unmet college costs.

Inadequate data availability, reporting, and collection limit assessment of Programs' effectiveness

Assessment of the Programs' effectiveness has been limited by various data management issues. Although effectiveness is not specifically defined in the statute that established the Programs, stakeholder presentations and legislative discussions during hearings at the time the bill creating the Programs was progressing through the legislative process identified various outcomes that might result from the Programs, such as increased college enrollment and graduation rates, decreased dropout rates, and long-term decreases in incarceration and homelessness. However, lack of baseline data and the short duration

of the Programs have limited auditors' ability to assess these long-term outcomes, while data management issues have hampered assessment of educational outcomes. The data management issues may be partially attributable to ABOR and the community college districts not having a contract with the outside nonprofit service provider (Provider) that collected data for the Programs to establish responsibilities and oversight mechanisms, as well as a lack of policies and procedures defining each party's responsibilities and outlining how the data should be reported and tracked.

Insufficient availability and inadequate management of data limit assessment of effectiveness—

Due to a lack of baseline data on the educational and long-term outcomes of Arizona foster youth before the Programs were implemented, the limited time frame of the Programs' existence and operation, and inconsistent data collection, auditors' ability to assess educational outcomes and other measures is limited. Additionally, although the Provider, universities, and community college districts provided auditors with data on waiver recipients' GPAs and student loan amounts, auditors' analysis of the data was inconclusive as to the Programs' effectiveness. Specifically:

- **Lack of baseline data limits analysis of foster youth outcomes in Arizona—**Because the outcomes of former foster youth in Arizona have not been tracked once they leave foster care, auditors did not identify baseline data that establishes rates of college attendance and completion or other long-term outcomes. Specifically, an Arizona Department of Child Safety (DCS) representative reported that the DCS does not

track all youth once they leave foster care.¹⁶ Further, according to university and community college district staff, they have not tracked which of their students are current and former foster youth. As a result, there is not readily available data that establishes at what rates current and former foster youth attended, graduated from, or dropped out of college prior to the implementation of the Programs. Similarly, the DCS has not collected data regarding the rates of homelessness, incarceration, or other outcomes for all former foster youth in Arizona. Although some studies conducted in other states have established estimated rates of college completion, homelessness, incarceration, and other outcome measures for former foster youth in these states, specific data for Arizona is needed to appropriately measure the Programs' impact.¹⁷

- **Programs' short duration prevents the assessment of long-term outcomes**—Assessment of the Programs' impact on long-term outcomes is hindered by the relatively short amount of time that has passed since the Programs were implemented. As indicated in the Introduction on page 1, the Programs first began awarding waivers for the 2014 spring semester. Measures such as rates of homelessness and incarceration among waiver recipients would require long-term data collection to assess.

Even shorter-term measures, such as graduation rates or time to degree for waiver recipients, would require more time to be accurately assessed. As of January 2017, the Programs had been implemented for a total of nine semesters, or three academic years, from spring semester 2014 to fall semester 2016. However, the National Student Clearinghouse Research Center found that students who earned a bachelor's degree between July 1, 2014, and June 30, 2015, took an average of 5.1 years to complete their degrees.¹⁸ In addition, current and former foster youth may take even longer to complete their degrees because of the need for remedial coursework, mental health issues, and financial obstacles.¹⁹ In fact, most waiver recipients have not yet earned a degree because the Programs were so recently established. Of the 142 waiver recipients in Arizona, 13 subsequently earned a bachelor's degree and 3 earned an associate degree. All 16 recipients who earned degrees were enrolled in college prior to the Programs' implementation, and most transferred credits from other institutions. Because their transcripts do not always note how long it took them to earn the transferred credits, the time to graduation for some of the students is unknown, and the remaining students took a minimum of 10 semesters to earn a bachelor's degree and 7 semesters to earn an associate degree. Recipients who enrolled in a bachelor's degree program for the first time after the Programs' development and implementation would not be expected to have earned a degree yet, making an assessment of waiver recipients' graduation rates premature.

- **Data collection on waiver recipients has been inadequate**—ABOR and the community college districts have made efforts to collect data on waiver applicants and recipients, but the data that has been collected is unreliable. As discussed in the Introduction, although statute requires ABOR and each of the community college districts to develop Programs, an Arizona children's advocacy group (Advocacy Group) spearheaded the effort to implement the Programs and track their outcomes. To facilitate the evaluation of the Programs' effectiveness as required by statute, the Advocacy Group entered into a contract with an outside service provider (Provider) to collect data for the Programs. The Provider developed an online portal (portal) where

¹⁶ DCS representatives reported that they survey a sample of foster youth for the National Youth in Transition Database (NYTD), a federally required database that collects information on the outcomes of former foster youth. NYTD surveys foster youth at ages 17, 19, and 21, with the first surveys beginning in federal fiscal year 2011. Youth are surveyed on outcomes including financial self-sufficiency, educational attainment, and homelessness. However, NYTD reports the data in the form of short summaries that combine each state's responses into national averages. In addition, DCS representatives reported that the response rate for the survey is low. These limitations prevent the data's use in establishing Arizona-specific baseline data on former foster youths' outcomes.

¹⁷ These studies comment on the educational and life outcomes of former foster youth, but they do not evaluate whether waiver programs have had any effect on outcomes.

¹⁸ Shapiro, D., Dundar, A., Wakhungu, P.K., Yuan, X., Nathan, A. & Hwang, Y. (2016). *Time to degree: A national view of the time enrolled and elapsed for associate and bachelor's degree earners*, (Signature Report No. 11). Herndon, VA: National Student Clearinghouse Research Center.

¹⁹ Courtney, M., Dworsky, A., Brown, A., Cary, C., Love, K., & Vorhies, V. (2011). *Midwest evaluation of the adult functioning of former foster youth: Outcomes at age 26*. Chicago, IL: Chapin Hall at the University of Chicago; Day, A., Dworsky, A., Fogarty, K., & Damashek, A. (2011). An examination of post-secondary retention and graduation among foster care youth enrolled in a four-year university. *Children and Youth Services Review* 33(11), 2335-2341; Gillum, N. L., Lindsay, T., Murray, F. L., & Wells, P. (2016). A review of research on college educational outcomes of students who experienced foster care. *Journal of Public Child Welfare*, 10(3), 291-309.

university and community college district staff enter whether the applicant was awarded a tuition waiver, and if so, the amount of the waiver (see Introduction, pages 2 through 4). Yet, university and community college district staff have not always entered data correctly, and as a result, that data is unreliable for accurately determining the number of recipients and the dollar amount of each waiver awarded. For example, university and community college district financial aid data shows that 142 applicants received a waiver from the spring 2014 through fall 2016 semesters. However, university and community college district staff misreported in the Provider's portal that 157 applicants had received a waiver, and did not report that an additional 4 individuals received waivers. Further, the universities and community college districts also incorrectly reported the dollar amount of waivers awarded for 57 waiver recipients. Specifically, data entered into the portal indicated that a total of approximately \$568,000 in waivers had been awarded from the spring 2014 through fall 2016 semesters, but university and community college district financial aid records showed that the total was approximately \$550,700, a difference of approximately \$17,000. These errors prevent the data collected by the Provider from being used to accurately report on the number of waiver recipients and the amount of tuition and fees waived.²⁰

Additionally, although the data entered into the portal could be useful for assessing outcomes, university and community college district staff have not consistently updated the necessary data. Specifically, the Provider's system is set up to track information about applicants and recipients that, if correctly reported, could be useful for assessing the Programs' impact on current and former foster youth outcomes, such as the amount of other financial aid received or the amount of loans they were offered or accepted. However, university and community college district staff have not always updated the data when changes in student financial aid have occurred. For example, the universities and community college districts did not always update students' loan status to reflect whether applicants accepted or declined the loans that were offered. In addition, the universities and community college districts have not always reported the same data to the Provider. Specifically, the portal includes a field where staff enter the total amount of grants and scholarships applicants received. However, the universities and community college districts were inconsistent in the way they reported that total. For example, the total reported by some universities and community college districts included the Pell Grant, a federal grant for undergraduate students with financial need, while in some cases, the reported total did not include the Pell Grant. Only two of the community college districts were consistent in the way they reported the total, whereas the remaining eight community college districts and all three universities sometimes included the Pell Grant and sometimes did not.

Because of these issues, auditors' analysis of the impact of receiving a waiver on recipients' academic and other life outcomes was limited. Specifically, auditors were not able to analyze long-term life outcomes or graduation rates, or make comparisons with current and former foster youth before the Programs were implemented, due to the lack of sufficient data. In addition, auditors conducted some data analysis of GPAs and student loan amounts of the population of individuals who received a waiver over the duration of the Programs. However most of these analyses were inconclusive as to the Programs' effectiveness. Auditors found that among the population of students who have ever received a waiver, in academic years where students applied for and received the waiver, they borrowed less in student loans than in academic years when they did not apply for the waiver. Specifically, in academic years when students did not apply for a waiver, the students took out an average of \$5,400 in student loans; while in academic years when students received a waiver, they took out an average of \$3,000 in student loans. In comparison, in academic years when students applied for a waiver, but did not receive one, they took out an average of \$1,200 in student loans.²¹

Lack of contract with the Provider and lack of policies and procedures may have contributed to data collection issues—The problems with data collection may be partially attributable to the lack of a contract between ABOR, the community college districts, and the Provider, which would help ensure proper

²⁰ Auditors were able to use financial aid data provided by the universities and community college districts to report on the number of waiver recipients and the amount of tuition and fees waived (see Introduction, pages 4 through 5).

²¹ The average student loan amount is significantly reduced by the large number of students in each category who did not take out any loans. Specifically, 54 percent of students who received a waiver did not take out loans; 74 percent of students who applied for but did not receive a waiver did not take out loans; and 41 percent of students who did not apply for a waiver did not take out loans.

oversight and understanding of each party's responsibilities. As mentioned previously, the Advocacy Group holds the contract with the Provider, not the statutorily responsible entities. Since ABOR and the community college districts are not party to the contract, they cannot provide adequate oversight of the Provider. In addition, the lack of a contract clearly defining the responsibilities of each of the involved parties may have contributed to misunderstandings about what data university and community college district staff should enter into the Portal. For example, staff at one university reported that it was not clear to them that they should update student records or whether the Pell Grant should be included in the total grants and scholarships field in the Provider's portal or not. A contract could help ensure that each involved party understands its responsibilities and increase accountability for accurate data collection (see Finding 2, pages 19 through 24, for further discussion and recommendations about the lack of a contract).

In addition, the lack of comprehensive policies and procedures on data management may have further contributed to the errors and inconsistencies in the information that the universities and community college districts submitted via the portal to the Provider's database. Specifically, although the universities and some community college districts have developed some policies and procedures for data collection, these policies and procedures do not clearly define the responsibilities of university and community college district staff and the Provider for ensuring data accuracy. For example, the policies and procedures do not direct university and community college district staff on how to track data for the Programs, such as updating student records that have changed or directing staff on which information to include in the fields in the portal.

Improved data management needed to effectively administer Programs and assess their impact

Collecting accurate and reliable data is critical for effective management of the Programs and for helping determine potential areas for improvement. The community college districts, and ABOR in collaboration with the universities, should improve data management and collection for internal administrative purposes, such as budgeting and reporting, as well as for assessing the Programs' effectiveness if the Legislature determines that further assessment of the Programs' effectiveness should be performed. For example, the community college districts and ABOR could track waiver recipients' academic outcomes with appropriate data collection over a longer period if the Programs' impact is to be evaluated in the future. However, to assess some of the long-term effectiveness measures identified during legislative hearings, additional efforts and resources would be required.

Improved data collection needed to assess program outcomes and better manage Programs—

With improved data collection, the community college districts, and ABOR in collaboration with the universities, 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 in collaboration with the universities, 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 example, increases over time in the number of current and former foster youth utilizing the waiver could point to increasingly effective outreach or successes with kindergarten through 12th grade (K-12) interventions. This information is also important for effective management of the Programs, such as internal budgeting and reporting. Specifically, knowing the number of applicants and recipients, as well as the reason(s) students were denied waivers, would help the universities and community college districts plan and budget for future waivers.

Although auditors identified 29 other states with tuition waiver, scholarship, or grant programs for current and former foster youth, auditors' review of literature did not find that any of those programs has undergone evaluation of its impact or effectiveness (see Appendix A, pages a-1 through a-10, for other states auditors identified with tuition waiver, scholarship, and grant programs for foster youth). However, some states' statutes require reporting on basic program data, and a few states have recently started to require more in-depth reporting (see textbox on page 12 for an example of Texas' reporting requirement).

Whether the community college districts, and ABOR in collaboration with the universities, decide to track data internally or work with a contracted service provider, improvements to data management are needed. For example, if the community college districts, and if ABOR in collaboration with the universities, decide to use an outside service provider to track the data, appropriate controls for verifying the accuracy of the data reported would need to be put in place. On the other hand, if the data is tracked internally, the community college districts, and ABOR in collaboration with the universities, will need to accurately track data that the Provider is currently tracking, such as who applied for and received waivers, as well as reasons waivers were denied. For example, although one university and one community college district reported that they tracked this data separately from the Provider, other universities and community college districts did not.

Therefore, to help ensure appropriate management and oversight of the Programs, the community college districts, and ABOR in collaboration with the universities, should each establish processes for collecting and/or reporting data on the Programs using one of the following options:

- If each community college district, and if ABOR in collaboration with the universities, continue using an outside service provider to collect the Programs' data, they should develop and implement policies and procedures for providing accurate and consistent data to the outside service provider and ensure that all appropriate staff are trained on these policies and procedures; or
- If each community college district, and if ABOR in collaboration with the universities, do not continue using an outside service provider to collect the Programs' data, they should develop and implement policies and procedures for collecting key program data that the Provider currently collects, such as who applied for a waiver, who received a waiver, and the reasons waivers were denied, and ensure that all appropriate staff are trained on these policies and procedures.

Further, 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—including the community college districts and ABOR—what program outcome data, such as graduation and dropout rates, should be tracked and reported.

Assessment of long-term impacts and comparisons would require additional resource-intensive methods—For other long-term outcomes and performance measures, such as rates of homelessness and incarceration, as well as measures that would provide comparisons to current and former foster youths' higher education outcomes prior to the Programs' implementation, additional data collection and analysis would be necessary. Examples for how such measures might be assessed can be found in other studies of former and current foster youth's educational performance and outcomes, but the methods utilized are resource-intensive. For example, the Midwest Evaluation of the Adult Functioning of Former Foster Youth (Midwest Study) established homelessness and incarceration rates by interviewing a sample of former foster youth at age 17 or 18, and then

State example of data collection and evaluation

A Texas state official reported that Texas is in the process of evaluating the impact of its tuition waiver program on former foster youths' educational outcomes. Beginning in 2016, Texas law requires its higher education and child welfare departments to collaborate in tracking demographic information, college enrollment data, and educational outcomes for former foster youth who are enrolled in Texas state colleges and universities and used the waiver. The Texas official reported that the purpose of tracking this data is to help assess whether program changes can be made to increase the number of former foster youth enrolled in and graduating from college and assess how the state higher education system can better support and guide enrolled former foster youth. The official reported that the state's higher education and child welfare departments have agreed to track annually, at a minimum, former foster youths' educational achievement, graduation rates, degrees awarded, enrollment numbers, and GPAs.

Source: Auditor General staff interview with a Texas Department of Family and Protective Services official and Auditor General staff analysis of Texas Education Code §61.0909.

performing follow-up surveys and interviews with these youth at ages 19, 21, 23 or 24, and 26.²² Additionally, a recent report on the K-12 educational performance of Arizona's foster children, *Arizona's Invisible Achievement Gap*, similarly provides a model for how baseline data on the postsecondary educational performance of former foster youth before the Programs' implementation might be obtained. To perform that assessment, researchers obtained student data from the Arizona Department of Education and from the DCS and matched individuals between the two sets of records to identify education records for all K-12 students who had a foster care placement between August 1, 2012, and June 1, 2013.²³

A model similar to that used by the Midwest Study could be used to follow multiple cohorts of waiver recipients long-term, but the methods for establishing baseline data would need to be expanded to be applied to the Programs. Specifically, the data compiled for *Arizona's Invisible Achievement Gap* was limited to all children who were in foster care in a single year, while establishing baseline data for the Programs would require matching records for youth who were in foster care after age 16 over multiple years. Such data collection and assessment may also necessitate cooperation between the statutorily responsible entities and the DCS.

Changes to some requirements and additional supports may increase the Programs' reach, but would require more resources

The academic literature on former foster youth in postsecondary education, as well as feedback from waiver recipients, suggest some areas where requirements may be changed or additional supports may be put in place to better meet the Programs' goals. These changes would require additional resources and may place additional financial burdens on the universities and community college districts. For example, outreach efforts to provide current and former foster youth accurate information about the Programs may help ensure eligible current and former foster youth take advantage of the Programs. In addition, the Programs' upper age limit of 23 may not allow many former foster youth to access the waiver at the time when they are most likely to attend and complete college. Further, changes to the Programs could help alleviate concerns about housing costs for current and former foster youth in college. Finally, nonmonetary assistance, such as campus support programs, may contribute to the successful completion of postsecondary education for current and former foster youth. However, as mentioned in the Introduction (see page 6), the universities and the community college districts do not receive funding for the Programs and reported either accounting for the waiver as lost revenue or using other monies to pay for the waivers. In addition, one community college district reported that it hired an additional part-time employee to handle the volume of waiver applications it has received. Therefore, the financial impact of these potential changes on the universities and community college districts should also be evaluated and considered. Specifically:

- **Advertising and outreach may increase awareness of the Programs**—Although the universities, community college districts, and DCS staff have made some efforts to reach out to current and former foster youth to inform potentially eligible youth about the Programs, those efforts have not been consistent. For example, as of June 2017, each university and seven of the community college districts had information about the Programs on their websites, but the other three community college districts did not. Most of the waiver recipients who provided feedback on the Programs to auditors reported that they heard about the Programs from their caseworker or other DCS staff. However, the recipients' experiences in learning about the Programs varied. For example, one waiver recipient reported receiving misinformation from her DCS caseworker about what the waiver would cover, one reported being unable to reach her caseworker for additional information when she had questions, while another reported hearing about the waiver and receiving assistance applying from his caseworker. One recipient said he learned about the Programs from the financial aid office on campus after he was already attending college. Another recipient stressed the importance of reaching out to both current and former foster youth to provide accurate information about the waiver to ensure that all eligible current and former foster youth can take advantage of the Programs.

²² Courtney et al., 2011.

²³ Barrat, V. X., Berliner, B., & Felida, N. J. (2015). *Arizona's invisible achievement gap: Education outcomes of students in foster care in the state's public schools*. San Francisco, CA: WestEd.

- **Programs’ age requirements may limit their ability to assist their target population**—The Programs’ upper age limit of 23 may exclude former foster youth from participating in the Programs at the time they are most likely to attend and complete college. As required by statute, the Programs terminate waiver assistance when applicants turn 23 years old, a requirement that is similar to the federal Education and Training Voucher (ETV), which requires applicants to apply for aid before age 21 in order to remain eligible until age 23.²⁴ Some researchers have suggested that the age limit for the ETV is based on the model of youth graduating high school at age 17 or 18, immediately entering college, and receiving a degree within 4 years.²⁵ However, research suggests that many foster youth who age out of foster care do not follow that trajectory. Specifically:
 - Research has shown that youth in foster care underperform compared to their peers in K-12 education, which impacts their ability to graduate from high school or earn a general equivalency diploma (GED) at the usual age. For example, *Arizona’s Invisible Achievement Gap* found that in Arizona, children in foster care had significantly lower test scores, higher dropout rates, and lower high school graduation rates than their peers, even when compared to other students from low-socioeconomic backgrounds. The report found that foster youth in Arizona graduated high school at a rate of just 33 percent, compared to 78 percent for all grade 12 students and 71 percent for low-socioeconomic status students.²⁶ These and other factors, such as needing to work to secure housing or support themselves and their families, often mean that former foster youth enter college later than the Programs are designed to accommodate.
 - Once enrolled in college, former foster youth may take longer than 4 years to complete their degrees. In fact, as mentioned previously, the national average for degree completion for all students is 5.1 years.²⁷ In Arizona, approximately 35 percent of all university students complete a bachelor’s degree within 4 years, and approximately 11 percent of community college students complete an associate degree or certificate within the expected time.²⁸ Former foster youth may be less likely to graduate within the expected time frame because of the need for remedial coursework, mental health issues, or financial obstacles.²⁹ These patterns are illustrated by the findings of the Midwest Study, which found that a significant percentage of former foster youth in the study continued to earn high school diplomas and GEDs, and enroll in and complete college well after they would no longer qualify for an ETV or tuition waiver.³⁰ This research suggests that former foster youth may frequently enroll in college at a time when they are no longer eligible for financial assistance or that their financial assistance may discontinue partially through a degree program.

Of the 29 other states auditors identified with tuition waiver, scholarship, or grant programs for current and former foster youth, 21 impose age-based restrictions (see Appendix A, pages a-7 through a-8, for a full listing of the age restrictions). Eleven states have age limits higher than Arizona’s, ranging from ages 24 to 28. As mentioned previously, the ETV requires current and former foster youth to apply by age 21 to remain eligible until age 23. However, there has been some interest in increasing that limit for the ETV. In 2016, the Family First Prevention Services Act was passed by the U.S. House of Representatives, although it was

²⁴ The ETV is a federally funded program that assists current and former foster youth by awarding up to \$5,000 per year for postsecondary educational expenses (see Introduction, page 1).

²⁵ Dworsky, A. & Courtney, M. E. (2010). *Does extending foster care beyond age 18 promote postsecondary educational attainment? Emerging findings from the Midwest Study*. Chicago, IL: Chapin Hall at the University of Chicago.

²⁶ Barrat et al., 2015.

²⁷ Shapiro et al., 2016.

²⁸ Auditor General staff analysis of data from the U.S. Department of Education, National Center for Education Statistics, Integrated Postsecondary Education Data System (IPEDS). The expected time to graduation is 2 years for an associate degree and varies for certificate programs.

²⁹ Courtney et al., 2011; Day et al., 2011; Gillum et al., 2016.

³⁰ Courtney et al., 2011; and Courtney, M., Dworsky, A., Lee, J., & Raap, M. (2009). *Midwest evaluation of the adult functioning of former foster youth: Outcomes at ages 23 and 24*. Chicago, IL: Chapin Hall at the University of Chicago. The study found that at ages 23 to 24, nearly a quarter of surveyed former foster youth did not have a high school diploma or GED, and that although nearly a third had completed at least one year of college, only 6 percent had completed a 2- or 4-year degree. When participants were surveyed again at ages 25 or 26, the number of former foster youth without a high school diploma or GED had fallen to one-fifth, the percentage of students who had completed at least one year of college had risen to 40 percent, and the number who had graduated with a 2- or 4-year degree had risen to 8 percent.

not voted on in the U.S. Senate. Among other things, the bill proposed that the ETV program be amended to change the age limit for receiving an ETV from age 23 to age 26, and specifying that applicants should receive the ETV for a maximum of 5 years, whereas the current ETV law does not specify a maximum number of years applicants may receive an award.³¹

- **Financial support for expenses beyond tuition and mandatory fees, especially housing, may improve current and former foster youth success**—Although the Programs help to ensure that tuition and mandatory fees are covered for qualifying current and former foster youth, other costs associated with higher education, particularly housing costs, remain a significant barrier to college completion. As mentioned in the Introduction, former foster youth experience homelessness at a significantly higher rate than their peers (see page 1). With low rates of birth- or adoptive-family support, former foster youth rely heavily on scholarships and loans to meet education costs, and frequently cite financial issues, including lack of housing or needing to work, as the reason they dropped out of college.³² Waiver recipients auditors conducted focus groups with or received written comments from identified similar financial issues, including needing to work and secure housing, as among the most significant barriers to completing college. Although some sources of financial aid can be used to cover housing costs, it may not be enough to allow students not to work full-time while attending school, which makes it less likely that the student will succeed in school.³³

In Arizona, the Programs specify that waivers cover tuition and mandatory fees only, and that they are reduced by the amount of all other forms of federal and public aid, such as Pell Grants, that have been applied to the applicant's tuition and mandatory fees (see Introduction, page 4 for an example of this). Requiring all other aid to be applied to the applicant's tuition bill before the waiver prevents other sources of financial aid that could otherwise be used for expenses beyond tuition and fees, such as the Pell Grant, from being used to cover other costs associated with college attendance. The exception to that requirement is the ETV, which can be used to pay for housing, books, childcare, and other education-related expenses. However, the ETV alone may not be enough to help current and former foster youth meet the costs of attending college. Although first disbursed in 2003, the ETV has not been increased to reflect changes in postsecondary education costs. One researcher estimated that between the 2003-2004 academic year and the 2011-2012 academic year, the real value of the ETV decreased by nearly 20 percent, reducing its effectiveness at meeting current and former foster youths' financial needs.³⁴

Similar to Arizona, 14 of the 29 states auditors identified that have established tuition waivers, scholarships, or grants for foster youth limit their awards by the amount of other aid received. The specific sources of aid that must be applied to a student's bill before the remaining tuition is waived varies by state. Six of the 14 states have limitations stricter than Arizona's, requiring all sources of financial aid to be used before a waiver is awarded. For example, Utah's statutes allow tuition to be waived only after all other sources of financial assistance for tuition have been applied. The other eight states have more lenient limitations, exempting more sources of financial aid than Arizona, or reducing waivers only if other aid exceeds the total cost of attendance. For example, Missouri's statutes specify that only sources of financial aid that are dedicated solely to tuition and fees must be applied to a student's account before a waiver is awarded. In addition, two states, Alabama and Maryland, have a statutory requirement for tuition waivers to be applied before any other sources of financial aid. The remaining states' laws do not explicitly limit award amounts.³⁵

- **Campus support programs may help address current and former foster youths' nonfinancial needs**—Non-monetary assistance, such as campus support programs, may contribute to the successful completion

³¹ H.R. 5456, 114th Congress (2015-2016); 42 United States Code §677(i).

³² Salazar, A. M., Jones, K. R., Emerson, J. C., & Mucha, L. (2016). Postsecondary strengths, challenges, and supports experienced by foster care alumni college graduates. *Journal of College Student Development*, 57(3), 263-279; and Courtney et al., 2011.

³³ Dworsky & Courtney, 2010; and Day et al., 2011.

³⁴ Okpych, N. (2012). Policy framework supporting youth aging-out of foster care through college: Review and recommendations. *Children and Youth Services Review*, 34(7), 1390-1396.

³⁵ One state's waiver program is established in policy rather than statute.

of postsecondary education for current and former foster youth. Some research has suggested that financial assistance may not be enough to help current and former foster youth graduate college, and that campus support programs specifically designed to meet their needs may help alleviate nonfinancial factors that can cause current and former foster youth to drop out, such as mental health issues or lack of emotional or social support.³⁶ As of April 2017, auditors identified campus support programs for current and former foster youth at one state university and one of the community college districts in Arizona. Campus support programs may include peer mentoring and counseling services for current and former foster youth and assistance with securing additional funding (for an example of one program, see textbox). One of the waiver recipients auditors received feedback from participated in an on-campus support program for current and former foster youth. The recipient reported that the program helped orient her to the campus, taught her important skills for succeeding in her first year, and helped her make connections with other former foster youth at the university. Two recipients who attended a university without a campus support program said they thought mentoring or counseling services would be helpful to their success, especially if the mentor was a person who had also experienced foster care. Both recipients said they would benefit from a program that would help connect them with other former foster youth on campus.

Bridging Success at Arizona State University (ASU)

In response to the creation of the tuition waiver Programs in 2013, ASU launched a campus support program for former foster youth with the goal of connecting current and prospective students with resources to help them enroll in college and complete their degree.¹ Bridging Success is funded by nonprofit donors and administered by ASU's College of Public Service and Community Solutions. Staff work with prospective students who are or were in foster care to help them complete their college application, provide resources for completing the Free Application for Federal Student Aid, and help identify scholarship opportunities. Once students are admitted to ASU, staff provide personal coaching and professional development workshops. Two key elements of the Bridging Success program are the Early Start program and peer mentoring services:

Early Start program—Incoming freshmen or new transfer students participate in a free 6-day program that helps build connections with Bridging Success staff and other current and former foster youth. The program helps familiarize former foster youth with campus resources, such as tutoring centers, counseling services, and the health center, and teaches strategies for social and academic success.

Peer mentoring services—Bridging Success offers peer mentoring services from students who themselves experienced foster care. Because of their personal backgrounds, the peer mentors are uniquely able to relate to students in the program, which helps make former foster youth more willing to engage with them. Bridging Success staff reported that initial feedback from students indicates that they appreciate the peer mentor model.

¹ Maricopa Community College District also launched a Bridging Success Program in partnership with ASU. However, the services and programs it offers differ from the program at ASU.

Source: Geiger, J. M., Hanrahan, J. E., Cheung, J. R., & Lietz, C. A. (2016). Developing an on-campus recruitment and retention program for foster care alumni. *Children and Youth Services Review*, 61, 271-280; interview with ASU Bridging Success staff; and Auditor General staff analysis of the Bridging Success website.

Therefore, if the Legislature determines to continue the Programs, it should consider studying the impacts and increased costs of modifying some program requirements or adding supports that may expand the reach of the Programs. In studying these options, the Legislature should consult with relevant stakeholders, such as representatives from ABOR, the community college districts, the DCS, and child welfare groups. Specifically, the Legislature could study the impact and increased costs of requiring the community college districts and ABOR, as well as other state agencies, such as the DCS, to coordinate outreach efforts to ensure all eligible current and former foster youth are aware of the Programs and receive correct information about them; increasing the age cap on eligibility to better reflect the educational trajectory of former foster youth; modifying the eligible educational expenses or order in which financial assistance is applied to increase financial aid available for other

³⁶ Dworsky & Courtney, 2010; and Day et al., 2011.

educational expenses, such as housing; and encouraging on-campus support programs to help meet current and former foster youths' nonfinancial needs.

Recommendations

- 1.1. The community college districts, and ABOR in collaboration with the universities, should each establish processes for collecting and/or reporting data on the Programs using one of the following options:
 - If each community college district, and if ABOR in collaboration with the universities, continue using an outside service provider to collect the Programs' data, they should develop and implement policies and procedures for providing accurate and consistent data to the outside service provider and ensure that all appropriate staff are trained on these policies and procedures; or
 - If each community college district, and if ABOR in collaboration with the universities, do not continue using an outside service provider to collect the Programs' data, they should develop and implement policies and procedures for collecting key program data that the Provider currently collects, such as who applied for a waiver, who received a waiver, and the reasons waivers were denied, and ensure that all appropriate staff are trained on these policies and procedures.
- 1.2. 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—including the community college districts and ABOR—what program outcome data, such as graduation and dropout rates, should be tracked and reported.
- 1.3. If the Legislature determines to continue the Programs, it should consider studying, in consultation with relevant stakeholders, the impacts and increased costs of modifying some requirements or adding additional supports to expand the reach of the Programs, such as:
 - Requiring the community college districts and ABOR, as well as other state agencies such as the Arizona Department of Child Safety, to coordinate outreach efforts to ensure all eligible current and former foster youth are aware of the Programs and receive correct information about them;
 - Increasing the age cap on eligibility to better reflect the educational trajectory of former foster youth;
 - Modifying the eligible educational expenses or the order in which financial assistance is applied to increase the amount of financial aid available to current and former foster youth for other educational expenses; and
 - Encouraging on-campus support programs to help meet current and former foster youths' nonfinancial needs.



ABOR and community college districts should improve Programs' implementation

The Arizona Board of Regents (ABOR) and community college districts should improve the implementation of the Arizona Foster Care Tuition Waiver Pilot Programs (Programs). As mentioned in the Introduction, ABOR and the community college districts are statutorily responsible for developing their Programs, and ABOR has delegated the implementation of its Program to the universities (see page 1). However, some universities and community college districts have improperly denied or awarded waivers, which is partially attributable to not developing adequate policies and procedures and confusion about roles and responsibilities for processing waiver applications. In addition, ABOR and the community college districts do not have a contract with the outside nonprofit service provider (Provider) that is hosting the waiver application, collecting data on the Programs, and collecting waiver recipients' volunteer service forms. The lack of a contract has negatively impacted the Programs' implementation and may put current and former foster youths' access to the Programs at risk. Further, one community college district may not be adequately informing applicants about its application process, which may lead to some qualified applicants not receiving a waiver. The community college districts, and ABOR in collaboration with the universities, should take various steps to improve their implementation of the Programs, including reviewing their policies and procedures for processing waiver applications to ensure that they provide adequate guidance for verifying applicants' eligibility.

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. Auditors 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 the universities and community college districts appropriately determined that 39 applicants met the waiver eligibility requirements (see Introduction, page 2, for eligibility requirements).³⁷ However, two universities each improperly awarded a waiver—the amounts totaling \$1,376 and \$1,893, respectively. In both cases, the universities awarded waivers to applicants who were over the age limit.³⁸ In addition, auditors reviewed judgmental samples of four and three waiver applicants who applied during the spring 2014 through fall 2016 semesters from two separate community college districts to further assess these community college districts' processes for reviewing and awarding waivers. Based on this review, auditors determined that the first community college district did not award a waiver to one applicant who had met the eligibility requirements. Because this applicant was improperly denied a waiver, he/she paid \$546 for tuition and mandatory fees in the summer 2015 semester. The second community college district improperly awarded two waivers. Specifically, the district improperly awarded waivers of \$1,216 and \$838 to applicants who either had not completed the volunteer service requirement or had sufficient grants and scholarships to cover tuition and mandatory fees, respectively.

These errors in awarding or denying waivers resulted, in part, from some of the universities and community college districts not adequately developing and implementing policies and procedures for processing waiver

³⁷ Auditors' stratified random sample of 41 applicants included 10 applicants who applied for a waiver at a university and 31 applicants who applied for a waiver at a community college district.

³⁸ Laws 2015, Ch. 69, §1, changed the age limit from 21 to 23 years of age. One of these applicants was over 21 when he/she received a waiver for the fall 2014 semester, while the other was over 23 when he/she received a waiver in the spring 2016 semester.

applications and verifying applicant eligibility. Comprehensive written policies and procedures are important to help ensure that all parties involved in processing waiver applications are aware of their responsibilities and that waivers are awarded only to qualified applicants. Although one university has developed comprehensive policies and procedures, the other two universities' policies and procedures are missing a few important elements. For example, the two universities that improperly awarded waivers did not have policies or procedures indicating who should verify the applicants' age. One of these universities reported that it believed the Provider was assessing the age requirement; however, as discussed in the Introduction (see pages 2 through 4), the Provider hosts the online waiver application, collects data about the Programs, and collects completed volunteer service forms from waiver recipients, but does not assess applicant eligibility. In addition, these two universities do not have policies and procedures for determining whether applicants are Arizona residents or have total personal assets worth less than \$10,000, such as directing staff to review the applicants' Free Application for Federal Student Aid (FAFSA) to assess these requirements.

Similarly, the policies and procedures developed by the community college districts for processing waiver applications have varying levels of detail. One community college district has developed detailed policies and procedures to guide staff on how to verify that applicants meet the eligibility requirements, such as directing staff to check the applicant's FAFSA to assess various eligibility requirements, including U.S. citizenship or the lawful presence of a noncitizen. In addition, three community college districts have developed policies and procedures directing staff how to check some eligibility requirements, such as whether the applicant is enrolled at the community college district, and refer staff to statute to check the remaining requirements to ensure eligibility. However, other community college districts have not developed adequate guidance for processing waiver applications.³⁹ For example, two community college districts, including the one community college district that improperly denied a waiver, had not developed any policies and procedures.⁴⁰ Further, the community college district that improperly awarded two waivers did not have comprehensive policies and procedures directing staff to verify that applicants met all of the eligibility requirements, such as confirming that the volunteer requirement was met. Additionally, four community college districts' policies, procedures, or forms used to process waiver applications had incorrectly listed the age limit that an applicant must meet in order to qualify for a waiver as 21, instead of 23.⁴¹

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, which has negatively impacted the Programs. As indicated in the Introduction (see page 2), when the legislation establishing Arizona's waiver Programs was passed, a children's advocacy group based in Arizona (Advocacy Group) hosted stakeholder meetings to discuss implementation of the Programs. As part of this process, the Advocacy Group contracted with the Provider to host an online application for current and former foster youth in Arizona to apply for the Programs and collect data to be used to assess their effectiveness. However, ABOR and the community college districts were not party to this contract, nor did they independently contract with the Provider for these services. Because the entities statutorily responsible for developing the Programs—ABOR and the community college districts—do not have a contract with the Provider, the Programs' implementation has been hindered. Specifically:

- **Application opening date may present difficulties for students**—Without a contract, ABOR and the community college districts cannot ensure that the Provider opens the waiver application on a date that best serves students. The Provider has established July 1 as the waiver application opening date for the fall semester; however, various stakeholders indicated that this date is problematic for waiver applicants

³⁹ During the audit, one of these districts revised its policies and procedures and created a detailed checklist for staff to use to determine eligibility, such as how to calculate the remaining tuition balance that was not covered by an applicant's other grants and scholarships.

⁴⁰ During the audit, the community college district that improperly denied a waiver developed some policies and procedures for processing waiver applications.

⁴¹ During the audit, all four community college districts revised their policies, procedures, or forms to reflect the correct age limit.

because it is too close to the beginning of the fall semester in August.⁴² In addition, staff at one university reported that the application opening date was problematic because incoming students are asked to commit to attending this university by May 1. Because waiver award determinations cannot be made until after the July 1 application date, applicants may have to commit to attend a university without knowing whether they will qualify for a waiver or may decide to not attend at all. Further, one recipient who provided written feedback on the Programs reported that the most difficult part of applying for a waiver is that applicants do not have enough time to find other sources of funding if they do not receive a waiver because the application does not open until July 1.

The July 1 waiver application opening date is also later than other key financial aid deadlines. For example, students can begin applying for federal financial aid by submitting a FAFSA on October 1 of the year prior to starting college. In addition, all three Arizona universities have established recommended deadlines for submitting a FAFSA that are more than 5 months before the start of the fall semester.⁴³ The Provider reported that although it has received input from universities regarding moving the application opening date, it has decided to continue to open the application on July 1.⁴⁴

- **Inadequate oversight of the Provider**—The Provider is performing critical duties related to the implementation of the Programs; however, without a contract that specifically defines the Provider's responsibilities, ABOR and the community college districts cannot provide adequate oversight to ensure that the Provider is performing these duties. Specifically, the Provider hosts the online application, collects data about the Programs, and collects volunteer service forms signed by the recipients, but there is no contract between the Provider and ABOR or the community college districts that defines these tasks as the Provider's responsibilities or provides ABOR and the community college districts with the contractual ability to oversee the Provider to help ensure the Provider is appropriately fulfilling these responsibilities. In addition, without a contract that defines each party's responsibilities, some entities may be confused as to what responsibilities pertain to them in processing waiver applications. For example, as mentioned previously, one of the universities that improperly awarded a waiver to an applicant over the age limit incorrectly believed that the Provider was assessing the age requirement.
- **Provider could discontinue hosting the online application, impeding applicant and recipient access to Programs**—Without a contract that specifies the Provider's responsibilities and the duration of time that it should perform these responsibilities, the Provider could discontinue its services without notice, potentially impacting applicant access to Programs. For example, if the Provider chose to stop hosting the online application, current and former foster youth would be unable to apply for a waiver unless an alternative method was developed. In addition, as explained in the Introduction, the Provider works with the DCS to verify that applicants meet the foster care eligibility requirement; however, if the Provider chose to stop hosting the online application, ABOR and the community college districts would need to develop an alternative method for verifying this requirement. Although the Provider has a contract with the Advocacy Group to host the online application, work with the DCS to verify foster care eligibility, and collect data on the Programs, the Advocacy Group has no statutory authority or responsibility for implementing the Programs. Further, the Advocacy Group's contract with the Provider is scheduled to end in December 2017.

⁴² The University's and community college districts' fall 2016 semester began between August 18, 2016 and August 29, 2016.

⁴³ Arizona State University's recommended date to submit a FAFSA is January 1, Northern Arizona University's date is February 1, and The University of Arizona's date is March 1.

⁴⁴ The Provider also opens the Education and Training Voucher (ETV) program application it administers for the Arizona Department of Child Safety (DCS) on July 1. The ETV program is a federally funded program that provides current and former foster youth up to \$5,000 per year for postsecondary educational expenses. As mentioned in the Introduction (see page 2), the Provider created a joint application for both the ETV program and Arizona waiver Programs, which allows current and former foster youth to apply for both programs at the same time. A DCS representative reported that the July 1 opening date for the ETV is not federally mandated. The Provider reported that it has continued to open the joint application on July 1 for several reasons, including that having the application date close to the start of the semester increases the accuracy of information it collects, such as the college applicants will attend, and allows the Provider to obtain applicants' most current contact information prior to the start of the semester. According to the Provider, waiver Programs and ETV program awarding decisions could be delayed if applicants are not yet sure where they will enroll when they apply. The Provider also reported that awarding decisions could be delayed if the Provider is unable to contact applicants who may have moved immediately following high school graduation or the end of the spring semester.

One community college district may not adequately inform applicants about its program application process

One community college district may not adequately inform applicants about all aspects of its program application process. As one of the final steps in its process for verifying waiver eligibility, one community college district sends an email to the applicant requiring him/her to sign and return a supplemental form indicating that the applicant self-certifies that he/she has met the Program's eligibility requirements. However, staff reported that they do not take steps to ensure that the applicant received or read the email regarding the supplemental form, or make any additional efforts to notify the applicant of the need to complete the form, such as sending a subsequent email or letter by mail, or contacting the applicant by phone. Although the community college district has information about the form on its website, applicants may not visit this website for information about the Program. For example, applicants apply for the Programs using the Provider's online application, not the universities' or community college districts' websites.

Although the community college district has the discretion to require applicants to complete this form as part of its program application process, by not ensuring that applicants have received and understood that they must complete this supplemental form to receive a waiver, otherwise eligible applicants may be denied a waiver. Auditors reviewed a judgmental sample of four applicants from this community college district who had applied for a waiver during the spring 2014 through fall 2016 semesters, and found that three of the applicants who were otherwise eligible were denied a waiver because they did not complete and return the form. In all three cases, the applicants subsequently paid between \$385 and \$771 for their tuition and mandatory fees.

Community college districts, and ABOR in collaboration with the universities, should take steps to improve Programs' implementation

The community college districts, and ABOR in collaboration with the universities, should take steps to improve their implementation of the Programs. Specifically, the community college districts, and ABOR in collaboration with the universities, should each review their policies and procedures for processing waiver applications to ensure that they provide adequate and appropriate guidance for verifying that applicants meet all eligibility requirements before awarding a waiver. As part of this review, they should ensure that the policies and procedures align with the eligibility requirements governing foster care tuition waivers and that appropriate community college district and university staff who process waiver applications have been trained on the policies and procedures. If the community college districts, and if ABOR in collaboration with the universities, identify any deficiencies in their policies and procedures or training as part of their review, they should modify their policies and procedures and/or train all relevant staff, as appropriate.

In addition, the community college districts, and ABOR in collaboration with the universities, should each determine whether they will continue using an outside service provider to assist in the Programs' operation, and then implement one of the following options:

- If the community college districts, and if ABOR in collaboration with the universities, continue using an outside service provider, they should each enter into a contract with an outside service provider that clearly defines the roles, responsibilities, and requirements for each party, including how the outside service provider will be monitored, how the Programs' data will be managed, and when the Programs' application will be made available to applicants; or
- If the community college districts, and if ABOR in collaboration with the universities, do not continue using an outside service provider, they should each develop processes for:
 - Ensuring that applicants have a method to apply for the Programs, including how universities and community college districts will continue to evaluate recipients if the Programs are not continued. Specifically, if the Legislature does not continue the Programs beyond the July 1, 2018, termination date, statute stipulates that recipients can continue to apply for and receive a waiver(s) until they earn a degree

or certificate, or turn 23 years old.⁴⁵ Under these circumstances, the universities and community college districts would need to develop a mechanism to ensure they continue to receive and reconsider these recipients' applications each semester;

- Ensuring that applicants meet the foster care eligibility requirement;
- Ensuring that the Programs' application(s) are opened and/or reviewed each semester on a date that ensures applicants have adequate opportunity to make critical decisions about their college attendance and have adequate opportunities to seek additional financial aid if needed; and
- Ensuring statutorily required volunteer hours are completed.

Further, the community college districts, and ABOR in collaboration with the universities, should each develop and implement procedures for ensuring that applicants receive, understand, and have sufficient time to complete any forms or documentation that the universities and/or community college districts may require as part of the application process, such as supplemental forms that require applicants to self-certify that they have met the waiver eligibility requirements.

Recommendations

- 2.1. The community college districts, and ABOR in collaboration with the universities, should each review their policies and procedures for processing waiver applications to ensure that they provide adequate and appropriate guidance for verifying that applicants meet all eligibility requirements before awarding a waiver. As part of this review, they should ensure that the policies and procedures align with the eligibility requirements governing foster care tuition waivers and that appropriate community college district and university staff who process waiver applications have been trained on the policies and procedures.
- 2.2. If the community college districts, and if ABOR in collaboration with the universities, identify any deficiencies in their policies and procedures or training as part of their review, they should modify their policies and procedures and/or train all relevant staff as appropriate.
- 2.3. The community college districts, and ABOR in collaboration with the universities, should each determine whether they will continue using an outside service provider to assist in the Programs' operation, and then implement one of the following options:
 - If the community college districts, and if ABOR in collaboration with the universities, continue using an outside service provider, they should each enter into a contract with an outside service provider that clearly defines the roles, responsibilities, and requirements for each party, including how the outside service provider will be monitored, how the Programs' data will be managed, and when the Programs' application will be made available to applicants; or
 - If the community college districts, and if ABOR in collaboration with the universities, do not continue using an outside service provider, they should each develop processes for:
 - Ensuring that applicants have a method for applying for the Programs, including how to evaluate recipients if the Programs are not continued;
 - Ensuring that applicants meet the foster care eligibility requirement;
 - Ensuring that the Programs' application(s) are opened and/or reviewed each semester on a date that ensures applicants have adequate opportunity to make critical decisions about their college attendance and seek additional financial aid; and
 - Ensuring that statutorily required volunteer hours are completed.

⁴⁵ To continue receiving a waiver after the Programs expire, recipients must continue to meet the eligibility requirements.

- 2.4. The community college districts, and ABOR in collaboration with the universities, should each develop and implement procedures for ensuring that applicants receive, understand, and have sufficient time to complete any required forms or documentation that the universities or community college districts may require as part of the application process, such as supplemental forms that require applicants to self-certify that they have met the waiver eligibility requirements.



Other state and federal foster youth postsecondary education tuition waiver, scholarship, and grant programs

Several states have established state-level postsecondary education financial assistance programs for foster youth. As of April 2017, auditors identified 29 other states that have established a program to provide tuition waivers, scholarships, or grants to help foster youth obtain a postsecondary education. These programs feature variations in the assistance provided to foster youth and the eligibility requirements foster youth must meet to obtain a waiver, scholarship, or grant. In addition, the federal government also established the Educational Training Voucher (ETV) program, to help current and former foster youth obtain a college education. Comparative information for these programs is presented in Table 3 on the following pages and includes the comparable information listed below:

- Educational expenses covered by a waiver, scholarship, or grant (see page a-2);
- Restrictions on the number of waivers, scholarships, or grants awarded (see pages a-2 through a-3);
- Restrictions on the number of credit hours or types of degrees that can be earned with a waiver, scholarship, or grant, and/or the number of years a waiver, scholarship, or grant is available (see pages a-3 through a-4);
- Foster care eligibility requirement (see pages a-4 through a-7);
- Age cut-off for receiving a waiver, scholarship, or grant (see pages a-7 through a-8); and
- Order in which waiver, scholarship, or grant funding is applied (see pages a-8 through a-9).

Table 3

Comparison of state and federal foster youth postsecondary education tuition waiver, scholarship, and grant programs
As of April 2017

State and federal programs	Educational expenses covered by a waiver, scholarship, or grant ¹
Arizona	Tuition and mandatory fees
ETV	Up to \$5,000 per year or the total cost of attendance, whichever is less
Alabama	Tuition and required fees
Alaska ²	Tuition
Connecticut ³	Tuition, fees, room and board, and books
Florida	Tuition and fees, including lab fees; also includes fees associated with enrollment in applied academics for adult education instruction
Illinois	Tuition and mandatory fees; grants for living expenses, a medical card, and assistance to pay for books
Iowa ⁴	Tuition, fees, books and supplies, child care, transportation, housing, and other approved expenses
Kansas	Tuition and required fees
Kentucky	Tuition and mandatory fees
Maine	Tuition
Maryland	Tuition, registration charges, and required fees
Massachusetts	Tuition and fees
Michigan	Tuition, fees, room, board, books, supplies, and required equipment
Minnesota ⁵	Tuition
Missouri	Tuition and fees
New Hampshire	Tuition and fees
New Jersey	Tuition
New Mexico	Tuition and fees
New York ⁶	Tuition, fees, books, transportation, housing, and other approved expenses
North Carolina	Credit or noncredit tuition
Oklahoma	Tuition
Oregon	Tuition and all fees
Rhode Island	Tuition, fees, and room and board charges
South Carolina	Tuition and fees
Tennessee	Tuition and mandatory fees
Texas	Tuition and fees
Utah	Tuition
Virginia	Community college tuition or fees, except for course materials
Washington	Tuition and fees
West Virginia	Tuition and fees
State and federal programs	Restrictions on the number of waivers, scholarships, or grants awarded ⁷
Arizona	Not specified
ETV	The federal government budgets \$60 million annually to pay for the ETV program and the award amounts cannot exceed the appropriation
Alabama	The Alabama Department of Human Resources receives an annual appropriation to pay for the scholarships and the number of scholarships awarded cannot exceed the appropriation
Alaska	Limited to 15 waivers annually

Table 3 continued

Connecticut	Not specified
Florida	Each Florida college system institution is authorized to grant waivers for up to 54 full-time equivalent students, or 1 percent of the institution's full-time enrollment, whichever is greater
Illinois	Illinois Department of Children and Family Services (ILDCFS) must grant a minimum of 53 scholarships annually, 4 of which shall be granted to children of veterans
Iowa	The total amount of assistance provided under the program shall remain within the funding available for the program
Kansas	Not specified
Kentucky	Not specified
Maine	Limited to 30 new students annually
Maryland	Not specified
Massachusetts	Not specified
Michigan	Scholarships may not be expended from the trust fund if the trust fund is less than \$500,000 or if the expenditure will cause the amount remaining in the trust fund to be less than \$500,000
Minnesota	Not specified
Missouri	Limit on the number of waivers is based on the legislature's appropriation of funds to reimburse the institutions
New Hampshire	University system and community college system can each grant up to 10 waivers annually
New Jersey	Not specified
New Mexico	Not specified
New York	Subject to appropriations
North Carolina	Institutions are only required to accept applicants who meet the criteria on a space-available basis
Oklahoma	Not specified
Oregon	Not specified
Rhode Island	Cumulative grant awards shall not exceed available appropriations in any fiscal year
South Carolina	No more than \$100,000 may be expended from currently appropriated need-based grant funding for this grant
Tennessee	Not specified
Texas	Not specified
Utah	Not specified
Virginia	Not specified
Washington	Subject to appropriations
West Virginia	Not specified
State and federal programs	Restrictions on the number of credit hours or types of degrees that can be earned with a waiver, scholarship, or grant, and/or the number of years a waiver, scholarship, or grant is available⁸
Arizona	Not specified
ETV	Not specified
Alabama	Up to 72 credit hours toward an associate degree or 144 credit hours toward a bachelor's degree
Alaska	Up to 144 undergraduate credit hours
Connecticut	Not specified
Florida	Not specified
Illinois	Scholarships shall be available to students for at least 5 years
Iowa	Not specified
Kansas	Limited to undergraduate education

Table 3 continued

Kentucky	Limited to undergraduate programs; applicants must enter college no more than 4 years after graduating high school and remain eligible for 5 years if satisfactory progress is made
Maine	Limited to undergraduate programs of at least one year; applicants may not have enrolled in an undergraduate program full-time for more than 5 years, or the equivalent
Maryland	Limited to vocational certificates, associate degrees, or bachelor's degrees
Massachusetts	Limited to state-sponsored undergraduate courses
Michigan	Not specified
Minnesota	Not specified
Missouri	May be used for 4 years of undergraduate study
New Hampshire	Limited to programs leading to a certificate, associate degrees, or bachelor's degree
New Jersey	Students are eligible for 5 years from the date student applied for tuition waiver
New Mexico	Not specified
New York	Not specified
North Carolina	Not specified
Oklahoma	Limited to associate or bachelor's degrees or vocational-technical studies
Oregon	Limited to undergraduate degree; may receive for up to 4 years
Rhode Island	Limited to 2 years of full-time study at community colleges and 4 years at universities
South Carolina	Available for a maximum of four academic years consisting of two semesters
Tennessee	Must enter an eligible postsecondary institution no more than 4 years after high school graduation or equivalent, and may be used for 6 years after admittance
Texas	Not specified
Utah	124 semester credits or 180 quarter credits or until bachelor's degree is earned; eligible for not more than 9 semesters
Virginia	Limited to degrees from comprehensive community colleges and student may not have been enrolled in postsecondary education as a full-time student for more than 5 years and may not have received a bachelor's degree
Washington	Limited to undergraduate education, except student may not pursue a degree in theology and may not have already earned a bachelor's or professional degree
West Virginia	May be used for no more than 4 years of undergraduate study, and must be granted within 2 years of high school graduation or GED
State and federal programs	Foster care eligibility requirement⁹
Arizona	Either: <ul style="list-style-type: none"> • Be in foster care and at least age 16; • Was in foster care at age 16 or older; or • Was adopted from foster care after age 16
ETV	Either: <ul style="list-style-type: none"> • Are eligible for other Chafee Services;¹⁰ or • Was adopted or placed in kinship guardianship after age 16 from foster care
Alabama	Either: <ul style="list-style-type: none"> • Was in foster care at time of graduation from high school or completion of GED; or • Was adopted from foster care at age 14 and older
Alaska	Either: <ul style="list-style-type: none"> • Be in foster care/out-of-home care and at least age 16; or • Was in foster care/out-of-home care on or after age 16
Connecticut	Only applies to youth adopted from foster care before the youth's 18th birthday

Table 3 continued

Florida	<p>Either:</p> <ul style="list-style-type: none"> • Was in foster care or the custody of a relative or nonrelative on 18th birthday; • Was in foster care for at least 6 months and after age 16 was placed in guardianship by the court; or • Was adopted after May 5, 1997
Illinois	<p>Be at least 16, have graduated from high school, completed GED, or have met the state criteria for high school graduation by the end of the current school year, and either:</p> <ul style="list-style-type: none"> • Under the court-ordered guardianship of ILDCFS; • Aged out of care at age 18 or older; • Under the legal responsibility of ILDCFS immediately prior to the youth's adoption; or • Be in the KinGap program, which is a subsidized guardianship program
Iowa	<p>Students who are ages 18 through 23 and:</p> <ul style="list-style-type: none"> • Who were in a licensed foster care placement pursuant to a court order within 30 calendar days of reaching age 18; • Who were under a court order to live with a relative or other suitable person within 30 calendar days of reaching age 18; • Who were in a licensed foster care placement pursuant to a court order prior to being legally adopted after reaching age 16; • Who were placed in the State Training School or the Iowa Juvenile Home pursuant to a court order within 30 days of reaching age 18 <p>Or</p> <p>Students who are age 17 and are in a court-ordered placement under the care and custody of the Iowa Department of Human Services or Iowa Juvenile Court Services or have been placed in the State Training School or Iowa Juvenile Home pursuant to a court order under the care and custody of the Iowa Department of Human Services</p>
Kansas	<p>Either:</p> <ul style="list-style-type: none"> • Was in the custody of the Kansas Secretary for Children and Families and in a foster care placement on the day they turned 18 years old; • Was released from care prior to age 18 after graduating high school or completing a GED while in state custody; • Was adopted from foster care or placed in guardianship on or after their 16th birthday; or • Left a foster care placement and was placed in guardianship on or after their 16th birthday
Kentucky	<p>Students:</p> <ul style="list-style-type: none"> • Whose families receive state-funded adoption assistance; • Who are foster children currently committed to the Kentucky Cabinet for Health and Family Services (CHFS) and placed in a family foster home; • Who are in an independent living program funded by CHFS; • Whom CHFS was their legal guardian on their 18th birthday; • Who are Kentucky Department of Juvenile Justice (DJJ) foster children and recommended by the DJJ and: who have not been sentenced as youthful offenders; who have been committed to DJJ for at least 12 months; who are in an independent living program funded by DJJ; whose biological parents' parental rights have been terminated; or who were committed to CHFS prior to commitment to DJJ
Maine	<p>Was in the custody of the Maine Department of Health and Human Services and resided in foster care or subsidized adoptive care or was a minor ward of a subsidized permanency guardian at the time the person graduated from high school or completed the GED</p>
Maryland	<p>Students or younger siblings of students who were placed and resided in an out-of-home placement:</p> <ul style="list-style-type: none"> • At the time of high school graduation or successful completion of GED; or • On their 13th birthday and were placed into guardianship or adopted out of an out-of-home care placement after their 13th birthday <p>Or</p> <p>Unaccompanied homeless youth who had a consistent presence in Maryland at least 1 year before enrollment, were not in the physical custody of a parent or guardian, and are determined homeless by Maryland officials</p>

Table 3 continued

Massachusetts	At age 18 either: <ul style="list-style-type: none"> • Was in the custody of the Massachusetts Department of Children and Family Services (MADCF); • Was under a legal guardianship sponsored by MADCF; or • Was adopted by a Massachusetts resident or commonwealth employee while in the custody of MADCF
Michigan	Students who, due to child abuse or neglect, were in foster care after their 13th birthday
Minnesota	Either is: <ul style="list-style-type: none"> • A ward of the state; • In the guardianship of the Minnesota Commissioner of Human Services; or • An Indian child under suspension or termination of parental rights under guardianship of a tribe or tribal social service agency
Missouri	Must have been in foster care or other residential care on or after the day: <ul style="list-style-type: none"> • Preceding the student's 18th birthday; • The student's 14th birthday, if he/she was eligible for adoption; or • The student graduated from high school or received a GED
New Hampshire	Either was: <ul style="list-style-type: none"> • In state foster care for 6 months immediately prior to their 18th birthday; • In state guardianship or custody at the time of their 18th birthday; • Adopted while in state custody; or • In an out-of-home placement under supervision of the New Hampshire Division of Juvenile Justice at the time of their 17th birthday
New Jersey	Either: <ul style="list-style-type: none"> • Was in the custody of New Jersey Division of Youth and Family Services for a period of 9 months following their 16th birthday; or • Is or was in an independent living arrangement or approved transitional program
New Mexico	Either was in the legal custody of the New Mexico Children, Youth, and Families Department or in the custody of a New Mexico Indian nation, tribe, or pueblo or the United States Department of the Interior Bureau of Indian Affairs Division of Human Services: <ul style="list-style-type: none"> • The day before their 18th birthday; • On or after their 14th birthday if parental rights were terminated or relinquished; or • On the day of high school graduation or GED completion
New York	Students who have qualified as an orphan, foster child, or ward of the court for the purposes of federal student financial aid programs authorized by Title IV of the Higher Education Act of 1965, as amended
North Carolina	Either: <ul style="list-style-type: none"> • Is a ward of North Carolina; or • Was a ward at the time they turned 18 years old
Oklahoma	Students who, in the previous 3 years have been in the custody of the Oklahoma Department of Human Services for any 9 of the 24 months after the individual's 16th birthday and before their 18th birthday
Oregon	Was not dismissed from care before age 16 and, for a total of 6 or more months while between the ages of 14 and 21, was either: <ul style="list-style-type: none"> • A ward of the court in an out-of-home placement; or • An Indian child under the jurisdiction of a tribal court in an out-of-home placement
Rhode Island	Students recommended by the Rhode Island Department of Children, Youth, and Families (RIDCYF) and prior to the date of recommendation was either: <ul style="list-style-type: none"> • Under age 18 and in the legal custody of the RIDCYF and had remained in such custody for at least 24 months prior to the date of recommendation; or • Over age 18, but was in the legal custody of the RIDCYF from their 16th to 18th birthdays
South Carolina	Youth in the custody of the South Carolina Department of Social Services
Tennessee	Students who: <ul style="list-style-type: none"> • Were in state custody for at least one year after reaching age 14; • Were in state custody for at least one year after reaching age 14 and adopted; or • Were in state custody for at least one year and placed in permanent guardianship after reaching age 14

Table 3 continued

Texas	Students under the conservatorship of the Texas Department of Family and Protective Services: <ul style="list-style-type: none"> • On the day before turning 18 years old; • On or after the day of their 14th birthday if they were eligible for adoption that day; • On the day they graduated high school or received a GED; • On the day before the youth was adopted or the date permanent conservatorship was awarded to a person other than the youth's parent if these were on or after September 1, 2009; • During an academic term in which the student was enrolled in a dual credit course or other course for which a student may earn joint high school and college credit; or • Who were adopted and were the subject of an adoption assistance agreement
Utah	Be a ward of the state between ages 17 and 26 who had a permanency goal of long-term foster care while in the custody of the Utah Division of Child and Family Services (UTDCFS) and for whom custody of UTDCFS was not terminated as a result of adoption; student must have been in UTDCFS custody for an aggregate period of not less than 24 months
Virginia	Either: <ul style="list-style-type: none"> • Was in foster care or in the custody of the Virginia Department of Social Services or was considered a special needs adoption at the time the student received a high school diploma; or • Was in foster care when they turned 18 years old and subsequently received a high school diploma or GED
Washington	Spent at least one year in foster care after student's 16th birthday and either: <ul style="list-style-type: none"> • Is emancipated from foster care on or after January 1, 2007; • Enrolls in extended foster care; or • Achieves a permanent plan after age 17 ½
West Virginia	Students who graduate from high school or pass the GED while in legal custody of the West Virginia Department of Health and Human Resources; the student must have been in foster care for at least one year prior to receiving a waiver
State and federal programs	Age cut-off for receiving a waiver, scholarship, or grant¹¹
Arizona	Under age 23
ETV	Youth who have received an ETV before turning 21 may remain eligible until they turn 23, as long as they are enrolled and making satisfactory progress
Alabama	Under age 26
Alaska	Under age 21
Connecticut	Must be accepted into chosen institution before age 21 and continue to be eligible until end of school year when the recipient turns 23
Florida	Until age 28
Illinois	Scholarships shall be available to students for 4 years or until the student turns 23 years old, whichever occurs first
Iowa	Must be under age 23 upon both the student's initial application and the start date of the education or training program; may remain eligible until reaching age 24
Kansas	Students remain eligible through the semester they turn 23
Kentucky	Not specified
Maine	Not specified
Maryland	Must enroll on or before 25th birthday; students may continue to be exempt from tuition and fees until 5 years after first enrolling as a candidate for an associate, bachelor's, or vocational certificate, or when awarded a bachelor's degree
Massachusetts	Under age 24
Michigan	Not specified
Minnesota	Eligible until age 21
Missouri	Must be accepted into college no later than third anniversary of: discharge from foster care, date of high school graduation or GED completion, or student's 21st birthday, whichever is earliest
New Hampshire	Under age 23
New Jersey	Must be between the ages of 16 and 23

Table 3 continued

New Mexico	Must enroll in a state educational institution no later than student's 25th birthday
New York	Not specified
North Carolina	Must be at least 17 years old but not yet 24 years old
Oklahoma	Up to age 26 or to completion of the degree or certificate
Oregon	Must be under age 25
Rhode Island	Must be under age 21, except that youth who are participating in the program before age 21 may continue to remain eligible until age 23
South Carolina	Not specified
Tennessee	Not specified
Texas	Those who were not adopted with adoption assistance must enroll no later than their 25th birthday
Utah	Student must apply the first time before age 22
Virginia	Not specified
Washington	Must enroll in a Washington state institution of higher education by age 21 and is eligible to receive a scholarship for a maximum of five years after the student first enrolls in an institution of higher education or until the student turns age 26, whichever occurs first
West Virginia	Not specified
State and federal programs	Order in which waiver, scholarship, or grant funding is applied¹²
Arizona	All other federal and public aid scholarships and grants, except the ETV, must be applied to tuition and mandatory fees first before waiver will be granted
ETV	The ETV is disregarded for the purposes of determining other federal assistance, except that the total amount of educational assistance may not exceed the cost of attendance
Alabama	Scholarships are applied to tuition and fees before any other grant, scholarship, or financial aid received
Alaska	Not specified
Connecticut	Must use any other grants and scholarships received plus \$500, which is the expected student contribution, before the waiver is granted
Florida	Not specified
Illinois	Not specified
Iowa	Assistance shall not be provided for expenses that are paid for by other programs for which funding is available
Kansas	Not specified
Kentucky	Waiver plus other aid, not including work study and loans, cannot exceed total cost of attendance; if this occurs, waiver amount is reduced by the amount exceeding total cost of attendance
Maine	Not specified
Maryland	Waiver is applied regardless of the youth's receipt of any scholarship or grant
Massachusetts	Not specified
Michigan	All other known available federal, state, or local governmental grants, except funds provided under the Michigan Promise Zone Authority Act, must be exhausted before money shall be disbursed ¹³
Minnesota	Not specified
Missouri	Waiver is granted only after other sources of aid that are solely dedicated to tuition and fees are exhausted
New Hampshire	Not specified
New Jersey	Waiver plus other federal, state, and institutional aid, not including loans, cannot exceed total cost of tuition; if this occurs, waiver amount is reduced by amount exceeding the total cost of tuition
New Mexico	Not specified
New York	Not specified
North Carolina	All other aid must be applied to tuition first before a waiver will be granted

Table 3 continued

Oklahoma	Not specified
Oregon	Waiver may be reduced by the amount of any federal aid scholarships or grants, an award from the Oregon Opportunity Grant program, and any other aid received
Rhode Island	Grant plus federal, state, and institutional scholarships and loans shall not exceed the full cost of tuition, fees, and room and board charges
South Carolina	All other grants for which foster youth are eligible must be applied first to the cost of attendance prior to using this need-based grant funding
Tennessee	Cost of attendance less any gift aid, with the total grant amount not to exceed the cost of tuition and mandatory fees
Texas	Not specified
Utah	Tuition is waived after all other financial aid, including scholarships, trust funds, statutory benefit, Pell Grant, or any other source is used
Virginia	Not specified
Washington	The scholarship shall not exceed the student's financial need, less a reasonable self-help amount, when combined with all other public and private grant, scholarship, and waiver assistance the student receives
West Virginia	Waiver may only be used after other sources of financial aid dedicated solely to tuition and fees are exhausted

- ¹ Following are factors related to individual states' educational expenses covered by a waiver, scholarship, or grant:
- **Connecticut**—Tuition, fees, and room and board awarded are equivalent to the cost of tuition, fees, and room and board at the University of Connecticut Storrs campus.
 - **Illinois**—Students receive a one-time grant of \$200 upon entrance into the scholarship program to assist with initial college living expenses, a monthly grant of \$511, a medical card, and can receive reimbursement for books if the cost of the books was not covered by the student's other financial aid.
 - **Kansas**—Students may be reimbursed for room and board, technical equipment, and course-related books, subject to appropriations. Waiver may not be used for any courses repeated or taken in excess of requirements for completion of the educational program the student is enrolled in.
 - **Massachusetts**—Massachusetts Board of Higher Education policy states that subject to appropriation, 100 percent of all tuition and fees at the resident rate for all state-supported courses or programs of study are waived. Institutions are also encouraged to develop waiver programs for eligible students that would provide 50 percent tuition waivers for any non-state supported courses or programs. If appropriations are not sufficient, students who have an expected family contribution of less than \$10,000 are prioritized.
 - **Minnesota**—Colleges and universities cannot waive student association fees, but may pay the fee on behalf of the student.
 - **South Carolina**—The South Carolina Commission of Higher Education offers need-based grants with no specific requirement for students to have been in foster care, but in 2015 and 2016, the Legislature appropriated money from this program to go specifically to foster youth. For example, the 2016-2017 Appropriations Act §11-H030 allows youth in the custody of the South Carolina Department of Social Services to receive needs-based grants of up to \$4,500.
 - **Utah**—Funds may only be used for courses that are applicable toward the degree or certificate requirements of the program in which the student is enrolled.
 - **Washington**—Scholarship shall not exceed resident undergraduate tuition and fees at the highest-priced public institution of higher education in the state.
- ² The waiver program in Alaska is not statutorily mandated, but the University of Alaska established a waiver for current and former foster youth.
- ³ The waiver program in Connecticut is not statutorily mandated, but the Connecticut Department of Children and Families has developed a policy for providing waivers to adopted youth.
- ⁴ According to the Iowa College Student Aid Commission website, Iowa's assistance program for former foster youth, the All Iowa Opportunity Foster Care Grant, is not available for the 2017-2018 school year. However, former foster youth are prioritized for the All Iowa Opportunity Scholarship, a state-funded scholarship program.
- ⁵ Minnesota statute states that the Board of Trustees of the Minnesota State Colleges and Universities (Board) may waive tuition for certain persons; the Board has established a policy for waiving tuition for foster youth.
- ⁶ New York law also allows institutions to use monies appropriated under its waiver program for other purposes, including providing various services to foster youth, such as summer college preparation programs, advisement, tutoring, and academic assistance.
- ⁷ Following are factors related to individual states' restrictions on the number of waivers, scholarships, or grants awarded:
- **Florida**—This program includes other waivers besides waivers for foster youth, such as waivers for students enrolled in dual enrollment or an approved apprenticeship program.
 - **Illinois**—Although 20 Illinois Compiled Statutes 505/8 states that a minimum of 53 scholarships shall be awarded each year, in its administrative rules, the ILDCFS has capped the scholarships at 48 a year with 4 being awarded to children of veterans.

Table 3 continued

⁸ Following are factors related to individual states' restrictions on the number of credit hours or types of degrees that can be earned with a waiver, scholarship, or grant and/or the number of years a waiver, scholarship, or grant is available:

- **Arizona**—Although there are no statutory restrictions on the number of credits that waiver recipients can earn, two community college districts have used their statutory authority to establish uniform criteria in determining tuition status to place caps on the number of credit hours a recipient can earn (see Introduction, footnote 9, page 4).
- **Alaska**—The 144 credit hours must be earned within 6 years or 10 semesters.
- **Illinois**—Although 20 ILCS 505/8 states that the scholarships shall be available to students for at least 5 years, in its administrative rules, ILDCFS has capped the scholarships at 4 years or until the student turns 23 years old, whichever occurs first.
- **Kentucky**—This can be extended if a student was unable to enroll for or complete a term due to serving in the military, the commissioned corps of the United States Public Health Service, the Peace Corps, or AmeriCorps.

⁹ Following are factors related to individual states' foster care eligibility requirement:

- **Connecticut**—Only applies to youth adopted after December 31, 2004.
- **Maryland**—Younger siblings of students who were placed and resided in an out-of-home placement at the time of high school graduation or who were adopted/placed in guardianship on or after their 13th birthday are eligible if the younger sibling was placed into guardianship or adopted concurrently out of an out-of-home placement by the same guardianship or adoptive family.
- **Massachusetts**—Massachusetts Board of Higher Education policy states that recipients must have been in MADCF custody for at least 6 months before age 18.
- **Oklahoma**—Students must also have completed high school or GED within the previous 3 years.
- **Rhode Island**—RIDCYF recommends students for a grant. RIDCYF can recommend: students who are under age 18 and are in its custody and have remained in its custody for at least 24 months prior to the day of recommendation; or students who reached age 18 prior to the day of recommendation, have not yet reached age 21 and were in the custody of RIDCYF from their 16th to their 18th birthdays. Students must have completed high school or GED no more than 1 year prior to RIDCYF recommendation.

¹⁰ The federal government created the John H. Chafee Foster Care Independence Program to provide states with funding to enable programs designed to identify children who are likely to remain in foster care until 18 years of age and to help these children make the transition to self-sufficiency by providing services such as career exploration, vocational training, budgeting and financial information management skills, and assistance in obtaining a high school diploma.

¹¹ Following are factors related to individual states' age cut-off for receiving a waiver, scholarship, or grant:

- **Alaska**—Waiver recipients must enroll in classes by the first fall semester following receipt of award or graduation from high school, whichever occurs later.
- **Massachusetts**—This age limit applies only to students who were adopted. Massachusetts General Law Ch. 15A 19 does not establish an age limit for students who were not adopted. Additionally, the Massachusetts Board of Higher Education policy allows a waiver to be granted to students who are under age 25 at the start of the academic year.
- **Minnesota**—If the student has not completed their educational program but has made satisfactory progress by age 21, the student can petition for a continuation of the waiver.
- **Washington**—If a student turns age 26 during an academic year, and would otherwise be eligible for a scholarship, the student shall continue to be eligible for the scholarship for the remainder of the academic year.

¹² Following are factors related to individual states' order in which waiver, scholarship, or grant funding is applied:

- **Alabama**—If an applicant has grants, scholarships, or other awards, excluding loans, sufficient to pay tuition, room and board, and other fees, then the applicant is not eligible to receive a scholarship.
- **Maryland**—A foster care recipient is exempt from paying tuition, regardless of that foster care recipient's receipt of any scholarship or grant if the foster care recipient: (a) is enrolled at the institution on or before the date that the youth reaches age 25; (b) is enrolled as a candidate for a vocational certificate, an associate degree, or a bachelor's degree; and (c) has filed for federal and state financial aid.

¹³ The Michigan Promise Zone Authority Act allows governing bodies in Michigan to establish a program for promising postsecondary financial assistance, including financial assistance for tuition, fees, and other expenses, to all eligible students within the established geographic zone

Source: Auditor General staff analysis of Arizona Revised Statutes §15-1809; 42 United States Code §677; Code of Alabama §38-12B-1-10; University of Alaska website and interview with a University of Alaska official; Connecticut Department of Children and Families policy 48-20-2; Florida Statutes §1009.25; Illinois Department of Children and Family Services Youth in Scholarship Program; Illinois Administrative Code Title 89, Chapter III, Subchapter a, Part 312; 20 Illinois Compiled Statutes 505/8; Iowa Code §261.6; Iowa College Student Aid Commission website; Kansas Statutes Annotated §74-32,161; Kansas Statutes Annotated §75-53,111-120; Kentucky Revised Statutes §164.2847; Maine Revised Statutes 20-A §12571-12573; Code of Maryland, Education, §15-106.1; Massachusetts General Law 15A §19; Massachusetts Board of Higher Education Fiscal Affairs and Administrative Policy 13-16; Massachusetts Board of Higher Education Fiscal Affairs and Administrative Policy 13-17; Michigan Compiled Laws 722.1021 through 722.1031; Minnesota Statutes §136F.70 Subdivision 1; Minnesota State Colleges and Universities Procedure 5.12.2; Missouri Revised Statutes §173.270; New Hampshire Statutes §187-A:20-b; New Jersey Revised Statutes 30:4C-101-105; New Mexico Statutes §21-1-4.7; McKinney's Education Law §6456; North Carolina General Statute §115B-2; Oklahoma Statutes Title 70 §3230; Oregon Revised Statutes §350.300; Rhode Island General Laws §42-72.8; Code of Laws South Carolina §59-142-10-70; South Carolina 2016-2017 Appropriations Act, Part IB, Section 11-H030-Commission on Higher Education, 11.8; Tennessee Code §49-4-933; Texas Education Code §54.366-367; Utah Code §53B-8d-101-104; Virginia Code §23.1-601; Revised Code of Washington 28B.117.030; and West Virginia Code §18B-10-7b.



Methodology

Auditors used various methods to study the issues addressed in this report. The methods included reviewing applicable federal and state laws, including Arizona Revised Statutes (A.R.S.) §15-1809, which established the Arizona Foster Care Tuition Waiver Pilot Programs (Programs). Auditors reviewed policies, procedures, and/or corresponding forms, interviewed staff, and reviewed websites from the Arizona Board of Regents (ABOR), each of Arizona's three state universities, and ten county community college districts. Auditors also interviewed staff at the Arizona Department of Child Safety (DCS), the outside nonprofit service provider (Provider) that hosts the application and collects data on the Programs, and the Arizona children's advocacy group (Advocacy Group) that contracted with the Provider for its services. Further, auditors reviewed meeting minutes and documents from stakeholder meetings held by the Advocacy Group, the Advocacy Group's contract with the Provider to host the application and collect data on the Programs, and the DCS' contract with the Provider to administer the federal Education and Training Voucher program. Additionally, auditors reviewed the Provider's website and training material related to the Programs.

In addition, auditors used the following specific methods to address the audit objectives:

- To assess the Programs' effectiveness, auditors obtained feedback from waiver recipients and analyzed data on the Programs. Specifically, to assess the Programs' impact on recipients, auditors conducted focus groups with or obtained written feedback from seven recipients who received a waiver during the spring 2014 through fall 2016 semesters. In addition, auditors obtained and analyzed data from the Provider and academic and financial records provided by the universities and community college districts for waiver applicants and recipients from the spring 2014 through fall 2016 semesters. Part of auditors' analysis of this data included analyzing student financial and academic records to assess the impact of receiving a waiver on students' grade point averages (GPAs) and student loan amounts, but because of data limitations, this analysis was generally inconclusive.⁴⁶ Further, auditors reviewed literature related to former foster youth and postsecondary education, as well as the educational and life outcomes of former foster youth (see Appendix C, page c-1, for a full list of works cited). Additionally, auditors reviewed applicable statutes, rules, and/or policies and procedures for 29 states that auditors identified as having a state-level postsecondary education tuition waiver, scholarship, or grant program for foster youth (see Appendix A, pages a-1 through a-10). As part of this review, auditors interviewed officials at the Texas Department of Family and Protective Services.
- To assess the reliability of the Provider's data, which included information on the number of applicants and recipients, as well as waiver amounts, auditors conducted interviews with Provider staff and compared the Provider's data to lists of applicants, recipients, and other information provided directly to auditors by the universities and community college districts. Based on the work performed, auditors concluded that the Provider's data was sufficiently reliable to determine the number of waiver applicants, but that it was not reliable for other purposes. In addition, to assess the reliability of academic and financial data provided by the universities and community college districts, auditors performed test work on the universities' and community college districts' data systems controls. Based on the work performed, auditors concluded that the data

⁴⁶ Auditors' analysis of student outcomes was limited by several factors. First, the three state universities, which awarded the majority of the waivers, reported financial aid data by academic year rather than by semester. Since financial aid amounts were grouped together by academic year, auditors could not determine in what specific semester a waiver was awarded, whether the waiver was awarded in the same semester as loans were taken out, or whether the waiver impacted a student's GPA for a particular semester. Second, the universities and community college districts provided the requested data in various formats, which required additional time for auditors to transfer the data into a format where it could be analyzed. As a result, auditors limited the analysis to students who at one time received a waiver.

provided by the universities and community college districts was sufficiently reliable for audit purposes, including determining the number of recipients and the amount of tuition and fees waived.

- To assess the Programs' implementation, auditors observed university and community college district staff process applications and reviewed four samples of applicants who had applied for a waiver from the spring 2014 through the fall 2016 semesters. Specifically, auditors observed staff process, or demonstrate how they would process, waiver applications at each state university and six of the ten community college districts. In addition, auditors reviewed a stratified random sample of 41 of the 966 current and former foster youth who applied for a waiver from the spring 2014 through the fall 2016 semesters. In addition, based on various concerns that auditors identified during their initial review, auditors also reviewed judgmental samples of four, four, and three waiver applicants from three separate community college districts during this same time frame to further assess these community college districts' processes for reviewing and awarding waivers.

Auditors conducted this evaluation of the Programs in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

The Auditor General and staff express their appreciation to ABOR, the universities, the community college districts, the Provider, the Advocacy Group, and the DCS for their cooperation and assistance throughout the audit.



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This appendix lists information sources cited in this report. Topics include educational and other outcomes of former foster youth and postsecondary educational engagement of former foster youth.

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RESPONSES



June 23, 2017

Debra K. Davenport
Auditor General
2910 N. 44th Street
Phoenix, AZ 85018

Re: Response to Auditor General's Report on Arizona Foster Care Tuition Waiver Pilot Program

Dear Ms. Davenport:

I am writing to provide a written response regarding the audit report of the Arizona Foster Care Tuition Waiver Pilot Programs. This response is a collaborative effort coordinated by the Arizona Board of Regents (ABOR) office and university financial aid leaders. Let me first express my appreciation for the professional manner and courtesy exhibited by your audit team in conducting the audit. Their insights and findings are both accurate and helpful.

I would also like to note that while I appreciate the report includes recommendations for community colleges, ABOR does not govern the community colleges, nor has any authority over their policies and procedures, and therefore my responses are on behalf of Arizona's public universities.

Background/Overview

More than three years have passed since A.R.S. (A.R.S.) §15-1809(C) became law and established foster care tuition waiver programs as a pilot program to facilitate post-secondary educational attainment for children in Arizona's foster care system. Pursuant to the statute, ABOR established Board Policy 4-323 B.3 that not only complies with the statute, but aligns with two of ABOR's enterprise goals:

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EX-OFFICIO: Governor Doug Ducey • Superintendent of Public Instruction Diane Douglas

ENTERPRISE EXECUTIVE COMMITTEE

Eileen I. Klein, *Board President* • Michael M. Crow, *ASU President* • Rita Cheng, *NAU President* • Robert C. Robbins, *UA President*

- Drive student educational success and learning;
- Advance educational achievement within Arizona

Beyond the statute, policy and enterprise goals surrounding this initiative are the students this program serves — a marginalized population in need of support to earn a post-secondary degree. On behalf of the Arizona public universities and ABOR, we strongly believe in supporting these students as they work toward completing a degree and achieving the economic benefits that such a degree affords them.

The not-for-profit organization, Foster Care to Success, was a major proponent for the statute, and the universities established a voluntary partnership with the organization as part of the program implementation. Through this partnership, Foster Care to Success developed a digital portal, determined eligibility, facilitated the application process for the waivers and provided some data collection. There is no formal agreement yet between the organizations, but the universities desire to continue this partnership should the pilot program be continued through future legislative action.

Summary of Responses to Findings and Recommendations

With regard to your findings and recommendations, I would like to supplement the information provided in the formal response document with additional context.

Finding 1: *Programs have assisted recipients, but data management needs improvement, and changes to some requirements may increase programs' reach.*

We agree with both the finding and the related recommendations and will implement them. In the current programs, data tracking occurs both internally at the universities and through the service provider. Unfortunately, the data elements tracked are not standardized across the system and currently lack consistency. While the provider application portal is of significant benefit to the programs and the universities intend to continue the partnership with the provider, working with a private vendor does create challenges in data consistency. To that end, the universities intend to implement common policies and procedures to ensure that data and reporting are consistent. In partnership with the service provider, the board and the universities will:

- Work together with the service provider to determine standardized outcome data that should be tracked;
- Develop and implement policies and procedures outlining how the data should be collected;
- Ensure that appropriate staff are trained on policies and procedures; and

- Establish a method for validating the accuracy and uniformity of the data collected, such as requiring staff to update data that has changed and conducting periodic spot checks of data accuracy.

Should the Legislature continue the programs, the audit recommends studying the impacts and costs of modifying requirements by adding additional student supports such as:

- Requiring ABOR and the community college districts, as well as other state agencies such as the Arizona Department of Child Safety, to coordinate outreach efforts to ensure all eligible current and former foster youth are aware of the programs and receive correct information about them;
- Increasing the age cap on eligibility to better reflect the educational trajectory of former foster youth;
- Modifying the eligible educational expenses or the order in which financial assistance is applied to increase the amount of financial aid available to current and former foster youth for other educational expenses; and
- Encouraging on-campus support programs to help meet current and former foster youths' nonfinancial needs.

We support these recommendations, and should the Legislature decide to pursue this recommendation, the ABOR office will support them in determining which of the above steps should be taken. Any such review must also highlight the associated costs of adding any of the above recommendations.

The report also recommends if the Legislature continues the programs and desires further assessment, legislators should consult with stakeholders, community college districts and ABOR to determine which outcomes data should be tracked and reported. The universities are tracking outcomes such as retention and graduation rates and would welcome conversations with legislators about any additionally desired reporting.

Finding 2: *ABOR and community college districts should improve programs' implementation.*

The board recognizes the importance of this finding, and we agree that implementation of the programs should be efficient, transparent and effective.

To ensure that these recommendations are implemented, the universities will work with the service provider to negotiate a formal agreement to ensure roles and responsibilities are clearly defined and understood.

ABOR and the universities will:

- Identify any deficiencies in their policies and procedures or training as part of their review; modify policies and procedures and/or train all relevant staff as appropriate; enter into a contract with the selected service provider that clearly defines the roles, responsibilities, and requirements for each party, including how the service provider will be monitored, how the programs' data will be managed and when the programs' application will be made available to applicants;
- Should a formal agreement be reached with the service provider, the universities will ensure:
 - Roles, responsibilities and requirements are clearly defined;
 - Implementation is designed to include how the programs' data will be managed;
 - The date that the application is made available to students is clear.
- Should a formal agreement not be reached with the service provider, the universities will develop internal systems addressing the actions recommended as if they had used a service provider and establish these measures:
 - Developing a method for applicants to apply for the programs, and how the programs will be evaluated if they are not continued. (If the programs are discontinued, the universities agree to support and evaluate current eligible participants.);
 - Ensuring that applicants meet the foster care eligibility requirement;
 - Ensuring that the programs' applications are reviewed in a timely fashion in order for applicants and their families to have an opportunity to make important decisions about college attendance and financial aid;
 - Ensuring that required volunteer hours are completed; and
 - Developing and implementing procedures for applicants to receive, understand, and have sufficient time to complete any required forms or documentation that the universities may require as part of the application process.

Additional Considerations

The report's findings and recommendations provided us the opportunity to engage in a broader dialogue about our tuition waiver populations including: logistical issues, governing authority and oversight; the importance of and management of third-party service providers; and appropriate data collection and reporting for all waiver populations. Some of those thoughts are included here.

First, as we approach implementation of audit objectives, because the continuation of the programs is uncertain and dependent on legislative action, we have not included timelines or deadlines for implementation. Our intent is to begin implementation during the remaining life of the programs and if legislation is enacted continuing this pilot program, ABOR will work with the universities to formulate implementation plans including action

items, milestones, timelines and deadlines to satisfy any statutory requirements and the Auditor General's recommendations.

Second, while we agree with your recommendation to enter a formal agreement with the service provider, we would like to note that the service provider is a not-for-profit entity. Our belief is the service provider will be cooperative with this initiative, but we cannot guarantee that outcome.

Finally, your audit has afforded us the opportunity to think about data collection and reporting for other waiver populations. Our intent is to work with universities on data collection, program implementation, policies and procedures, and reporting mandates to align all such programs with the Auditor General recommendations. This process will begin this summer as we develop the data for the FY 2017 Financial Aid report.

Conclusion

We believe the audit was a successful review of the Foster Care Tuition Waiver program and will inform the Legislature on the early successes and outcomes of the programs. The audit has also provided meaningful recommendations to improve implementation of the programs. While data tracking was not part of the original legislation, it is an enterprise imperative that goes beyond complying with the statute; evidence-based strategies must be employed to meet ABOR goals, metrics, and the economic and educational needs of this state. Monitoring and evaluating the programs represent sound public policy as well as a critical step to ensure the success of the Foster Care Tuition Waiver program.

However, there are constraints that must be addressed. As the Legislature considers continuing and perhaps expanding the programs, they must remember there is no such thing as free tuition. While tuition may be waived for this population, there is a cost to educate these students and that cost is currently passed on to other students and their families. When the statute was first implemented, JLBC provided a cost estimate of approximately \$511,000 over a five-year period. We are just over three years into the program and costs already exceed that value. The table below outlines the number of participants and the costs borne by the universities.

University	Waiver Applicants	Waiver Recipients	Total Value of Waivers
ASU	129	70	\$324,670
NAU	46	32	\$95,129
UA	44	28	\$122,944
Total	219	130	\$542,743

Although ABOR and the universities wish to accommodate any and all disadvantaged populations, it does come at a significant cost. The universities already provide more than \$400 million in financial aid to Arizona resident students. Again, these costs are passed on to the families of other students who do not qualify for need-based aid.

That said, the pilot program has proven beneficial for students. ABOR and Arizona's public universities look forward to further developments of the program, including a formalized partnership with Foster Care to Success to improve data collection and program implementation to include improved outreach to potentially eligible participants and adding additional student supports.

Please feel free to contact me with any questions. I appreciate your leadership and your team's due diligence to conduct a thorough, informative and useful audit.

Sincerely,

Eileen I. Klein
President

Finding 1: Programs have assisted recipients, but data management needs improvement, and changes to some requirements may increase Programs' reach

Recommendation 1.1: The community college districts, and ABOR in collaboration with the universities, should each establish processes for collecting and/or reporting data on the Programs using one of the following options:

- If each community college district, and if ABOR in collaboration with the universities, continue using an outside service provider to collect the Programs' data, they should develop and implement policies and procedures for providing accurate and consistent data to the outside service provider and ensure that all appropriate staff are trained on these policies and procedures; or
- If each community college district, and if ABOR in collaboration with the universities, do not continue using an outside service provider to collect the Programs' data, they should develop and implement policies and procedures for collecting key program data that the Provider currently collects, such as who applied for a waiver, who received a waiver, and the reasons waivers were denied, and ensure that all appropriate staff are trained on these policies and procedures.

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

Recommendation 1.2: 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—including the community college districts and ABOR—what program outcome data, such as graduation and dropout rates, should be tracked and reported.

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

Response explanation: It is important to the universities that legislators collaborate with the universities to determine what program outcomes should be tracked and reported.

Recommendation 1.3: If the Legislature determines to continue the Programs, it should consider studying, in consultation with relevant stakeholders, the impacts and increased costs of modifying some requirements or adding additional supports to expand the reach of the Programs, such as:

- Requiring the community college districts and ABOR, as well as other state agencies such as the Arizona Department of Child Safety, to coordinate outreach efforts to ensure all eligible current and former foster youth are aware of the Programs and receive correct information about them;
- Increasing the age cap on eligibility to better reflect the educational trajectory of former foster youth;

- Modifying the eligible educational expenses or the order in which financial assistance is applied to increase the amount of financial aid available to current and former foster youth for other educational expenses; and
- Encouraging on-campus support programs to help meet current and former foster youths' nonfinancial needs.

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

Response explanation: We support this recommendation to the legislature.

Finding 2: ABOR and community college districts should improve Programs' implementation

Recommendation 2.1: The community college districts, and ABOR in collaboration with the universities, should each review their policies and procedures for processing waiver applications to ensure that they provide adequate and appropriate guidance for verifying that applicants meet all eligibility requirements before awarding a waiver. As part of this review, they should ensure that the policies and procedures align with the eligibility requirements governing foster care tuition waivers and that appropriate community college district and university staff who process waiver applications have been trained on the policies and procedures.

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

Recommendation 2.2: If the community college districts, and if ABOR in collaboration with the universities, identify any deficiencies in their policies and procedures or training as part of their review, they should modify their policies and procedures and/or train all relevant staff as appropriate.

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

Recommendation 2.3: The community college districts, and if ABOR in collaboration with the universities, should each determine whether they will continue using an outside service provider to assist in the Programs' operation, and then implement one of the following options:

- If the community college districts, and if ABOR in collaboration with the universities, continue using an outside service provider, they should each enter into a contract with an outside service provider that clearly defines the roles, responsibilities, and requirements for each party, including how the outside service provider will be monitored, how the Programs' data will be managed, and when the Programs' application will be made available to applicants; or
- If the community college districts, and if ABOR in collaboration with the universities, do not continue using an outside service provider, they should each develop processes for:

- Ensuring that applicants have a method for applying for the Programs, including how to evaluate recipients if the Programs are not continued;
- Ensuring that applicants meet the foster care eligibility requirement;
- Ensuring that the Programs' application(s) are opened and/or reviewed each semester on a date that ensures applicants have adequate opportunity to make critical decisions about their college attendance and seek additional financial aid; and
- Ensuring that statutorily required volunteer hours are completed.

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

Response explanation: The universities plan to continue using the service provider.

Recommendation 2.4: The community college districts, and ABOR in collaboration with the universities, should each develop and implement procedures for ensuring that applicants receive, understand, and have sufficient time to complete any required forms or documentation that the universities or community college districts may require as part of the application process, such as supplemental forms that require applicants to self-certify that they have met the waiver eligibility requirements.

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



June 23, 2017

Ms. Debbie Davenport, Auditor General
Office of the Auditor General
2910 N. 44th Street, Suite 410
Phoenix, AZ 85018

Dear Ms. Davenport:

Enclosed please find the response for the revised preliminary draft report of the performance audit of the Arizona Foster Care Tuition Waiver Pilot Program.

Arizona Western College is committed to continuous quality improvement, transparency and accountability. We look forward to sharing our progress in implementing the recommendations.

Sincerely,

Ana M. English
Financial Aid Director
Arizona Western College

Finding 1: Programs have assisted recipients, but data management needs improvement, and changes to some requirements may increase Programs' reach

Recommendation 1.1: The community college districts, and ABOR in collaboration with the universities, should each establish processes for collecting and/or reporting data on the Programs using one of the following options:

- If each community college district, and if ABOR in collaboration with the universities, continue using an outside service provider to collect the Programs' data, they should develop and implement policies and procedures for providing accurate and consistent data to the outside service provider and ensure that all appropriate staff are trained on these policies and procedures; or
- If each community college district, and if ABOR in collaboration with the universities, do not continue using an outside service provider to collect the Programs' data, they should develop and implement policies and procedures for collecting key program data that the Provider currently collects, such as who applied for a waiver, who received a waiver, and the reasons waivers were denied, and ensure that all appropriate staff are trained on these policies and procedures.

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

Response explanation: Arizona Western College will continue to use option one. AWC will continue to use the outside provider FosterCare2Success to collect the Programs data to determine eligibility. Policies and procedures have been implemented to ensure accurate and consistent data and to ensure the appropriate staff is trained on these policies and procedures.

Recommendation 1.2: 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—including the community college districts and ABOR—what program outcome data, such as graduation and dropout rates, should be tracked and reported.

Response: Not applicable.

Response explanation: This finding is targeted towards the State Legislature.

Recommendation 1.3: If the Legislature determines to continue the Programs, it should consider studying, in consultation with relevant stakeholders, the impacts and increased costs of modifying some requirements or adding additional supports to expand the reach of the Programs, such as:

- Requiring the community college districts and ABOR, as well as other state agencies such as the Arizona Department of Child Safety, to coordinate outreach efforts to ensure all eligible current and former foster youth are aware of the Programs and receive correct information about them;

- Increasing the age cap on eligibility to better reflect the educational trajectory of former foster youth;
- Modifying the eligible educational expenses or the order in which financial assistance is applied to increase the amount of financial aid available to current and former foster youth for other educational expenses; and
- Encouraging on-campus support programs to help meet current and former foster youths' nonfinancial needs.

Response: Not applicable.

Response explanation: This finding is targeted towards the Arizona State Legislature.

Finding 2: ABOR and community college districts should improve Programs' implementation

Recommendation 2.1: The community college districts, and ABOR in collaboration with the universities, should each review their policies and procedures for processing waiver applications to ensure that they provide adequate and appropriate guidance for verifying that applicants meet all eligibility requirements before awarding a waiver. As part of this review, they should ensure that the policies and procedures align with the eligibility requirements governing foster care tuition waivers and that appropriate community college district and university staff who process waiver applications have been trained on the policies and procedures.

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

Response explanation: Arizona Western College has policies and procedures in place to ensure all applicants are verified and meet all eligibility requirements before awarding a waiver. Any recommendations that relate to best practice program improvements will be implemented. Appropriate staff will be trained to follow these policies and procedures.

Recommendation 2.2: If the community college districts, and if ABOR in collaboration with the universities, identify any deficiencies in their policies and procedures or training as part of their review, they should modify their policies and procedures and/or train all relevant staff as appropriate.

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

Response explanation: Arizona Western College will modify policy and procedures if any deficiencies are identified.

Recommendation 2.3: The community college districts, and ABOR in collaboration with the universities, should each determine whether they will continue using an outside service provider to assist in the Programs' operation, and then implement one of the following options:

- If the community college districts, and if ABOR in collaboration with the universities, continue using an outside service provider, they should each enter into a contract with an outside service provider that clearly defines the roles, responsibilities, and requirements for each party, including how the outside service provider will be monitored, how the Programs' data will be managed, and when the Programs' application will be made available to applicants; or
- If the community college districts, and if ABOR in collaboration with the universities, do not continue using an outside service provider, they should each develop processes for:
 - Ensuring that applicants have a method for applying for the Programs, including how to evaluate recipients if the Programs are not continued;
 - Ensuring that applicants meet the foster care eligibility requirement;
 - Ensuring that the Programs' application(s) are opened and/or reviewed each semester on a date that ensures applicants have adequate opportunity to make critical decisions about their college attendance and seek additional financial aid; and
 - Ensuring that statutorily required volunteer hours are completed.

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

Response explanation: Arizona Western College will continue to use FosterCare2Success and will enter into an agreement that clearly defines the roles, responsibilities, and requirements for each party to provide the necessary data in determining if a student meets the requirements to receive a waiver.

Recommendation 2.4: The community college districts, and ABOR in collaboration with the universities, should each develop and implement procedures for ensuring that applicants receive, understand, and have sufficient time to complete any required forms or documentation that the universities or community college districts may require as part of the application process, such as supplemental forms that require applicants to self-certify that they have met the waiver eligibility requirements.

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

Response explanation: Arizona Western College will continue to work with FosterCare2Success to determine if a student qualifies for a waiver. Arizona Western College has set deadlines that ensure applicants receive, understand and have sufficient time to complete the required documentation.



June 26, 2017

Ms. Debbie Davenport, Auditor General
Office of the Auditor General
2910 N 44th Street, Suite 410
Phoenix, AZ 85018

Dear Ms. Davenport,

Attached you will find Central Arizona College's response to the revised preliminary report of the Arizona Foster Care Tuition Waiver Pilot Program. Central Arizona College acknowledges and supports the recommendations to improve data management and necessary changes to ensure effectiveness of the program's implementation and support to student success.

Central Arizona College is committed to continuous quality improvement, transparency, and accountability. We look forward to sharing our progress in implementing these recommendations.

Sincerely,

Elisa Juarez
Director of Financial Aid

Enclosure: Audit Response - Arizona Foster Care Tuition Waiver Program

Central Arizona College
District Offices

Superstition Mountain Campus
805 S. Idaho Road
Apache Junction, AZ 85119

Aravaipa Campus
80440 E. Aravaipa Road
Winkelman, AZ 85192

Signal Peak Campus
8470 North Overfield Road
Coolidge, AZ 85128-9030

Maricopa Campus
17945 North Regent Drive
Maricopa, AZ 85138-7808

San Tan Campus
3736 E. Bella Vista Rd
San Tan Valley, AZ 85143

1-800-237-9814
www.centralaz.edu

Finding 1: Programs have assisted recipients, but data management needs improvement, and changes to some requirements may increase Programs' reach

Recommendation 1.1: The community college districts, and ABOR in collaboration with the universities, should each establish processes for collecting and/or reporting data on the Programs using one of the following options:

- If each community college district, and if ABOR in collaboration with the universities, continue using an outside service provider to collect the Programs' data, they should develop and implement policies and procedures for providing accurate and consistent data to the outside service provider and ensure that all appropriate staff are trained on these policies and procedures; or
- If each community college district, and if ABOR in collaboration with the universities, do not continue using an outside service provider to collect the Programs' data, they should develop and implement policies and procedures for collecting key program data that the Provider currently collects, such as who applied for a waiver, who received a waiver, and the reasons waivers were denied, and ensure that all appropriate staff are trained on these policies and procedures.

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

Recommendation 1.2: 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—including the community college districts and ABOR—what program outcome data, such as graduation and dropout rates, should be tracked and reported.

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

Recommendation 1.3: If the Legislature determines to continue the Programs, it should consider studying, in consultation with relevant stakeholders, the impacts and increased costs of modifying some requirements or adding additional supports to expand the reach of the Programs, such as:

- Requiring the community college districts and ABOR, as well as other state agencies such as the Arizona Department of Child Safety, to coordinate outreach efforts to ensure all eligible current and former foster youth are aware of the Programs and receive correct information about them;
- Increasing the age cap on eligibility to better reflect the educational trajectory of former foster youth;

- Modifying the eligible educational expenses or the order in which financial assistance is applied to increase the amount of financial aid available to current and former foster youth for other educational expenses; and
- Encouraging on-campus support programs to help meet current and former foster youths' nonfinancial needs.

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

Finding 2: ABOR and community college districts should improve Programs' implementation

Recommendation 2.1: The community college districts, and ABOR in collaboration with the universities, should each review their policies and procedures for processing waiver applications to ensure that they provide adequate and appropriate guidance for verifying that applicants meet all eligibility requirements before awarding a waiver. As part of this review, they should ensure that the policies and procedures align with the eligibility requirements governing foster care tuition waivers and that appropriate community college district and university staff who process waiver applications have been trained on the policies and procedures.

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

Recommendation 2.2: If the community college districts, and if ABOR in collaboration with the universities, identify any deficiencies in their policies and procedures or training as part of their review, they should modify their policies and procedures and/or train all relevant staff as appropriate.

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

Recommendation 2.3: The community college districts, and ABOR in collaboration with the universities, should each determine whether they will continue using an outside service provider to assist in the Programs' operation, and then implement one of the following options:

- If the community college districts, and if ABOR in collaboration with the universities, continue using an outside service provider, they should each enter into a contract with an outside service provider that clearly defines the roles, responsibilities, and requirements for each party, including how the outside service provider will be monitored, how the Programs' data will be managed, and when the Programs' application will be made available to applicants; or

- If the community college districts, and if ABOR in collaboration with the universities, do not continue using an outside service provider, they should each develop processes for:
 - Ensuring that applicants have a method for applying for the Programs, including how to evaluate recipients if the Programs are not continued;
 - Ensuring that applicants meet the foster care eligibility requirement;
 - Ensuring that the Programs' application(s) are opened and/or reviewed each semester on a date that ensures applicants have adequate opportunity to make critical decisions about their college attendance and seek additional financial aid; and
 - Ensuring that statutorily required volunteer hours are completed.

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

Recommendation 2.4: The community college districts, and ABOR in collaboration with the universities, should each develop and implement procedures for ensuring that applicants receive, understand, and have sufficient time to complete any required forms or documentation that the universities or community college districts may require as part of the application process, such as supplemental forms that require applicants to self-certify that they have met the waiver eligibility requirements.

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



COCHISE COLLEGE
OFFICE OF THE
PRESIDENT

June 21, 2017

Ms. Debra K. Davenport, Auditor General
Office of the Auditor General
2910 North 44th Street, Suite 410
Phoenix, AZ 85018

Dear Ms. Davenport:

Attached you will find Cochise College's response to the Arizona Foster Care Tuition Waiver Programs Performance Audit, conducted by the Office of the Auditor General and received by the college on June 19, 2017.

We appreciate the opportunity to provide a response and some insight on the program and its future. Cochise College is committed to continuous quality improvement, transparency, and accountability. Should the legislature decide to continue/improve the program, Cochise College stands ready to provide insight and recommendations that might make the program more efficient and effective for potential students and the institutions who serve them.

Attached is the College's response to your findings and recommendations. We look forward to sharing our progress in implementing these recommendations.

Sincerely,

J.D. Rottweiler, Ph.D.
President

Cochise College Response to findings from the Auditor General's Office related to the implementation of the Arizona Foster Care Tuition Waiver Pilot Programs

Finding 1: Programs have assisted recipients, but data management needs improvement, and changes to some requirements may increase Programs' reach

Recommendation 1.1: The community college districts, and ABOR in collaboration with the universities, should each establish processes for collecting and/or reporting data on the Programs using one of the following options:

- If each community college district, and if ABOR in collaboration with the universities, continue using an outside service provider to collect the Programs' data, they should develop and implement policies and procedures for providing accurate and consistent data to the outside service provider and ensure that all appropriate staff are trained on these policies and procedures; or
- If each community college district, and if ABOR in collaboration with the universities, do not continue using an outside service provider to collect the Programs' data, they should develop and implement policies and procedures for collecting key program data that the Provider currently collects, such as who applied for a waiver, who received a waiver, and the reasons waivers were denied, and ensure that all appropriate staff are trained on these policies and procedures.

Response: The finding of the Auditor General is not agreed to and the recommendation will not be implemented.

Response explanation: Cochise College has implemented the required policies and procedures for the pilot program. Cochise College is participating in the tuition waiver program consistent with current law (A.R.S. 15-1809). Eligibility is determined based on the information received within the Free Application for Federal Student Aid (FAFSA) and Cochise College's Admissions Process after notification of the applicant's personal information is received from Foster Care to Success (FC2S). The FC2S program verifies the eligibility regarding the age (16) and the applicant's status in the program. Once status is determined, FC2S submits this information into the database and then notifies the college. FC2S also provides information related to monitoring and substantiating volunteer service and provides the college verification that an applicant has performed 30 hours of volunteer service so they remain eligible to receive the next tuition waiver. All Foster Care Waiver Applicants are required to fill out the FAFSA before being considered for the tuition waiver. Cochise College uses the FAFSA to determine the student's citizenship status, thus as students complete a FAFSA, it will have already verified lawful presence in the United States. Cochise College also uses the student's selection on the admissions application to comply with the requirement to verify the applicant is enrolled in an accredited degree or certificate program in order to qualify for this waiver. Cochise College has policies and procedures on how to maintain good standing, and on how to handle the Federal FAFSA and other funds. The FAFSA is the main tool used in determining eligibility in the waiver program and is where we find the required information needed to comply with this statute.

Recommendation 1.2: 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—including the community college districts and

Cochise College Response to findings from the Auditor General's Office related to the implementation of the Arizona Foster Care Tuition Waiver Pilot Programs

ABOR—what program outcome data, such as graduation and dropout rates, should be tracked and reported.

Response: Not applicable.

Response explanation: This recommendation is outside the purview of Cochise College, as the Legislature will make that assessment and future law. This recommendation may be in line with other states, but is not in the current law. Cochise College has complied with the current law as no outcome reporting is required. Should the legislature desire to continue the program, and if the recommendations outlined by the Auditor General are accepted, then additional resources should be provided to the universities and colleges for this extensive data collection activity which is in addition to the original scope of A.R.S.15-1809.

Recommendation 1.3: If the Legislature determines to continue the Programs, it should consider studying, in consultation with relevant stakeholders, the impacts and increased costs of modifying some requirements or adding additional supports to expand the reach of the Programs, such as:

- Requiring the community college districts and ABOR, as well as other state agencies such as the Arizona Department of Child Safety, to coordinate outreach efforts to ensure all eligible current and former foster youth are aware of the Programs and receive correct information about them;
- Increasing the age cap on eligibility to better reflect the educational trajectory of former foster youth;
- Modifying the eligible educational expenses or the order in which financial assistance is applied to increase the amount of financial aid available to current and former foster youth for other educational expenses; and
- Encouraging on-campus support programs to help meet current and former foster youths' nonfinancial needs.

Response: Not applicable.

Response explanation: This recommendation falls outside the purview of Cochise College, because the Legislature will make that assessment and future law. This recommendation may be in line with other states, but again it is not in the current law. Cochise College is compliant with the current law because A.R.S. 15-1809 does not currently require institutions to comply with the recommendation listed above. Should the legislature desire to continue the program, and if the recommendations outlined by the Auditor General are accepted, additional resources should be provided for the universities and colleges to support this recommendation.

Finding 2: ABOR and community college districts should improve Programs' implementation

Recommendation 2.1: The community college districts, and ABOR in collaboration with the universities, should each review their policies and procedures for processing waiver

Cochise College Response to findings from the Auditor General's Office related to the implementation of the Arizona Foster Care Tuition Waiver Pilot Programs

applications to ensure that they provide adequate and appropriate guidance for verifying that applicants meet all eligibility requirements before awarding a waiver. As part of this review, they should ensure that the policies and procedures align with the eligibility requirements governing foster care tuition waivers and that appropriate community college district and university staff who process waiver applications have been trained on the policies and procedures.

Response: The finding of the Auditor General is not agreed to and the recommendation will not be implemented.

Response explanation: A.R.S. 15-1809 does not currently specify operational methods such as those recommended. Cochise College is participating in the tuition waiver program consistent with current law and complied with all eligibility and funding requirements.

Recommendation 2.2: If the community college districts, and if ABOR in collaboration with the universities, identify any deficiencies in their policies and procedures or training as part of their review, they should modify their policies and procedures and/or train all relevant staff as appropriate.

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

Response explanation: If any deficiencies in Cochise College's policies and procedures are found, the college will modify them and train staff accordingly. The college's Financial Aid Office has made necessary updates to policy and procedure and will ensure that financial aid staff are trained on all applicable changes.

Recommendation 2.3: The community college districts, and ABOR in collaboration with the universities, should each determine whether they will continue using an outside service provider to assist in the Programs' operation, and then implement one of the following options:

- If the community college districts, and if ABOR in collaboration with the universities, continue using an outside service provider, they should each enter into a contract with an outside service provider that clearly defines the roles, responsibilities, and requirements for each party, including how the outside service provider will be monitored, how the Programs' data will be managed, and when the Programs' application will be made available to applicants; or
- If the community college districts, and if ABOR in collaboration with the universities, do not continue using an outside service provider, they should each develop processes for:
 - Ensuring that applicants have a method for applying for the Programs, including how to evaluate recipients if the Programs are not continued;
 - Ensuring that applicants meet the foster care eligibility requirement;

Cochise College Response to findings from the Auditor General's Office related to the implementation of the Arizona Foster Care Tuition Waiver Pilot Programs

- Ensuring that the Programs' application(s) are opened and/or reviewed each semester on a date that ensures applicants have adequate opportunity to make critical decisions about their college attendance and seek additional financial aid; and
- Ensuring that statutorily required volunteer hours are completed.

Response: The finding of the Auditor General is not agreed to and the recommendation will not be implemented.

Response explanation: Cochise College is participating in the tuition waiver program consistent with the current wording of the law (A.R.S. 15-1809) which does not require contractual arrangements. As noted in the recommendation related to the first finding, should the legislature desire to continue the program, and if the recommendations outlined by the Auditor General are accepted, then additional resources should be provided to the universities and colleges for any recommended additional activities outside the law's original scope.

Recommendation 2.4: The community college districts, and ABOR in collaboration with the universities, should each develop and implement procedures for ensuring that applicants receive, understand, and have sufficient time to complete any required forms or documentation that the universities or community college districts may require as part of the application process, such as supplemental forms that require applicants to self-certify that they have met the waiver eligibility requirements.

Response: The finding of the Auditor General is not agreed to and the recommendation will not be implemented.

Response explanation: State Statute 15-1809 does not currently specify operational methods such as those recommended. Cochise College will continue to work with Foster Care to Success in determining which students qualify for a Foster Care Tuition Waiver. Should the legislature desire to continue the program, and if the recommendations outlined by the Auditor General are accepted, additional resources should be provided for the universities and colleges.



June 22, 2017

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

Dear Ms. Davenport:

Coconino Community College appreciates the opportunity to provide a response to the Foster Care Waiver Audit conducted by your office that was received on June 16, 2017. The College is committed to continuous quality improvement, transparency, and accountability.

Attached is our response to your findings and recommendations. We look forward to sharing our progress in implementing these recommendations.

Sincerely,

Dr. Colleen Smith
President

Enclosure: Foster Care Tuition Waiver Audit Response

Finding 1: Programs have assisted recipients, but data management needs improvement, and changes to some requirements may increase Programs' reach

Recommendation 1.1: The community college districts, and ABOR in collaboration with the universities, should each establish processes for collecting and/or reporting data on the Programs using one of the following options:

- If each community college district, and if ABOR in collaboration with the universities, continue using an outside service provider to collect the Programs' data, they should develop and implement policies and procedures for providing accurate and consistent data to the outside service provider and ensure that all appropriate staff are trained on these policies and procedures; or
- If each community college district, and if ABOR in collaboration with the universities, do not continue using an outside service provider to collect the Programs' data, they should develop and implement policies and procedures for collecting key program data that the Provider currently collects, such as who applied for a waiver, who received a waiver, and the reasons waivers were denied, and ensure that all appropriate staff are trained on these policies and procedures.

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

Response explanation: Coconino Community College agrees that these recommendations for community college districts are appropriate and that data management is important. Coconino currently uses an outside service provider and will review policies and procedures to ensure data accuracy with the outside service provider. Decisions to change some requirements for the program are the responsibility of the Legislature.

Recommendation 1.2: 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—including the community college districts and ABOR—what program outcome data, such as graduation and dropout rates, should be tracked and reported.

Response: Not applicable.

Response explanation: While Recommendation 1.2 is directed to the Legislature, Coconino Community College agrees with the Auditor General's recommendation to include ABOR and the Community Colleges in determining what program outcomes data should be tracked.

Recommendation 1.3: If the Legislature determines to continue the Programs, it should consider studying, in consultation with relevant stakeholders, the impacts and increased costs of modifying some requirements or adding additional supports to expand the reach of the Programs, such as:

- Requiring the community college districts and ABOR, as well as other state agencies such as the Arizona Department of Child Safety, to coordinate outreach efforts to ensure all

eligible current and former foster youth are aware of the Programs and receive correct information about them;

- Increasing the age cap on eligibility to better reflect the educational trajectory of former foster youth;
- Modifying the eligible educational expenses or the order in which financial assistance is applied to increase the amount of financial aid available to current and former foster youth for other educational expenses; and
- Encouraging on-campus support programs to help meet current and former foster youths' nonfinancial needs.

Response: Not applicable.

Response explanation: Recommendation 1.3 is directed to the Legislature

Finding 2: ABOR and community college districts should improve Programs' implementation

Recommendation 2.1: The community college districts, and ABOR in collaboration with the universities, should each review their policies and procedures for processing waiver applications to ensure that they provide adequate and appropriate guidance for verifying that applicants meet all eligibility requirements before awarding a waiver. As part of this review, they should ensure that the policies and procedures align with the eligibility requirements governing foster care tuition waivers and that appropriate community college district and university staff who process waiver applications have been trained on the policies and procedures.

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

Response explanation: The Auditor General did not identify any material weaknesses with regard to policies and procedures or staff training at Coconino Community College. Coconino Community College has maintained compliance with respect to this recommendation for the entirety of the program's four-year existence and will continue to do so in the future. Recommendations that relate to best practice program improvements will be considered and implemented as needed.

Recommendation 2.2: If the community college districts, and if ABOR in collaboration with the universities, identify any deficiencies in their policies and procedures or training as part of their review, they should modify their policies and procedures and/or train all relevant staff as appropriate.

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

Response explanation: The Auditor General did not identify any material weaknesses with regard to policies and procedures or staff training at Coconino Community College. Coconino Community College has maintained compliance with respect to this

recommendation for the entirety of the program's four-year existence and will continue to do so in the future.

Recommendation 2.3: The community college districts, and ABOR in collaboration with the universities, should each determine whether they will continue using an outside service provider to assist in the Programs' operation, and then implement one of the following options:

- If the community college districts, and if ABOR in collaboration with the universities, continue using an outside service provider, they should each enter into a contract with an outside service provider that clearly defines the roles, responsibilities, and requirements for each party, including how the outside service provider will be monitored, how the Programs' data will be managed, and when the Programs' application will be made available to applicants; or
- If the community college districts, and if ABOR in collaboration with the universities, do not continue using an outside service provider, they should each develop processes for:
 - Ensuring that applicants have a method for applying for the Programs, including how to evaluate recipients if the Programs are not continued;
 - Ensuring that applicants meet the foster care eligibility requirement;
 - Ensuring that the Programs' application(s) are opened and/or reviewed each semester on a date that ensures applicants have adequate opportunity to make critical decisions about their college attendance and seek additional financial aid; and
 - Ensuring that statutorily required volunteer hours are completed.

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

Response explanation: ARS 15-1809 does not currently prescribe that a contract must be entered into between schools and FosterCare2Success, and therefore, Coconino has maintained compliance with respect to the current statute for the entirety of the program's four-year existence. Even though Coconino has never had any issues working with FosterCare2Success in the past, having a contract in place is a reasonable business practice and Coconino will implement this recommendation.

Recommendation 2.4: The community college districts, and ABOR in collaboration with the universities, should each develop and implement procedures for ensuring that applicants receive, understand, and have sufficient time to complete any required forms or documentation that the universities or community college districts may require as part of the application process, such as supplemental forms that require applicants to self-certify that they have met the waiver eligibility requirements.

Response: Other, see explanation below.

Response explanation: The Auditor General did not identify that applicants to Coconino Community College did not receive, understand, or have adequate opportunity to make critical decisions about their college attendance. Coconino Community College has

maintained compliance with timeliness for the entirety of the program's four-year existence and plans on continuing in the future.



June 23, 2017

Ms. Debbie Davenport
Auditor General
2910 N. 44th St., Ste. 410
Phoenix, AZ 85018

Dear Ms. Davenport:

Eastern Arizona College appreciates the opportunity to provide a response to the Arizona Foster Care Tuition Waiver Pilot Programs Audit conducted by your office that was received June 16, 2017.

Attached you will find Eastern Arizona College's response to the Auditor General's Audit Report. The college acknowledges and supports the majority of the Audit Findings and has provided responses and explanations for each finding and recommendation. The college has already begun to address recommendations specifically applicable to it as found in the audit.

The college would like to thank the auditors for their thorough and thoughtful review and the opportunities provided to discuss and recommend changes to the audit findings and recommendations.

Sincerely,

Mr. Mark Bryce, President
Eastern Arizona College

Finding 1: Programs have assisted recipients, but data management needs improvement, and changes to some requirements may increase Programs' reach

Recommendation 1.1: The community college districts, and ABOR in collaboration with the universities, should each establish processes for collecting and/or reporting data on the Programs using one of the following options:

- If each community college district, and if ABOR in collaboration with the universities, continue using an outside service provider to collect the Programs' data, they should develop and implement policies and procedures for providing accurate and consistent data to the outside service provider and ensure that all appropriate staff are trained on these policies and procedures; or
- If each community college district, and if ABOR in collaboration with the universities, do not continue using an outside service provider to collect the Programs' data, they should develop and implement policies and procedures for collecting key program data that the Provider currently collects, such as who applied for a waiver, who received a waiver, and the reasons waivers were denied, and ensure that all appropriate staff are trained on these policies and procedures.

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

Response explanation: EAC prefers contracting with an outside service provider to collect Programs data required by the statute. The college will collaborate with other community college districts in creating required policies and procedures; creating some continuity within the system. EAC will train appropriate staff on these developed policies and procedures as recommended.

Recommendation 1.2: 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—including the community college districts and ABOR—what program outcome data, such as graduation and dropout rates, should be tracked and reported.

Response: Not applicable.

Response explanation: EAC will comply with further assessment criteria if said criteria are required by the Legislature.

Recommendation 1.3: If the Legislature determines to continue the Programs, it should consider studying, in consultation with relevant stakeholders, the impacts and increased costs of modifying some requirements or adding additional supports to expand the reach of the Programs, such as:

- Requiring the community college districts and ABOR, as well as other state agencies such as the Arizona Department of Child Safety, to coordinate outreach efforts to ensure all eligible current and former foster youth are aware of the Programs and receive correct information about them;

- Increasing the age cap on eligibility to better reflect the educational trajectory of former foster youth;
- Modifying the eligible educational expenses or the order in which financial assistance is applied to increase the amount of financial aid available to current and former foster youth for other educational expenses; and
- Encouraging on-campus support programs to help meet current and former foster youths' nonfinancial needs.

Response: Not applicable.

Response explanation: Should the Legislature modify the legislative requirements to include these recommendations EAC would comply. However, EAC is opposed to increasing the administrative burden without the Legislature providing any monetary support for the program. Unfunded federal and state mandates strain the ability of the current staff to effectively comply with expanded program requirements.

Finding 2: ABOR and community college districts should improve Programs' implementation

Recommendation 2.1: The community college districts, and ABOR in collaboration with the universities, should each review their policies and procedures for processing waiver applications to ensure that they provide adequate and appropriate guidance for verifying that applicants meet all eligibility requirements before awarding a waiver. As part of this review, they should ensure that the policies and procedures align with the eligibility requirements governing foster care tuition waivers and that appropriate community college district and university staff who process waiver applications have been trained on the policies and procedures.

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

Response explanation: EAC will develop and implement Foster Care waiver eligibility policies and procedures for processing Foster Care applications based on Legislative requirements. EAC will ensure that adequate and appropriate guidance will be given to staff, based on these requirements, before awarding a Foster Care waiver.

Recommendation 2.2: If the community college districts, and if ABOR in collaboration with the universities, identify any deficiencies in their policies and procedures or training as part of their review, they should modify their policies and procedures and/or train all relevant staff as appropriate.

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

Response explanation: EAC will review on an annual basis or as needed, its policies and procedures. Should deficiencies be identified, modify the policies and procedures and conduct staff training as appropriate.

Recommendation 2.3: The community college districts, and ABOR in collaboration with the universities, should each determine whether they will continue using an outside service provider to assist in the Programs' operation, and then implement one of the following options:

- If the community college districts, and if ABOR in collaboration with the universities, continue using an outside service provider, they should each enter into a contract with an outside service provider that clearly defines the roles, responsibilities, and requirements for each party, including how the outside service provider will be monitored, how the Programs' data will be managed, and when the Programs' application will be made available to applicants; or
- If the community college districts, and if ABOR in collaboration with the universities, do not continue using an outside service provider, they should each develop processes for:
 - Ensuring that applicants have a method for applying for the Programs, including how to evaluate recipients if the Programs are not continued;
 - Ensuring that applicants meet the foster care eligibility requirement;
 - Ensuring that the Programs' application(s) are opened and/or reviewed each semester on a date that ensures applicants have adequate opportunity to make critical decisions about their college attendance and seek additional financial aid; and
 - Ensuring that statutorily required volunteer hours are completed.

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

Response explanation: EAC prefers the option of entering into a contract agreement with a third party and will ensure that the roles, responsibilities, and requirements to each party are clearly delineated. EAC is opposed to the second option as the administrative burden would be prohibitive without additional monetary support from the Legislature.

Recommendation 2.4: The community college districts, and ABOR in collaboration with the universities, should each develop and implement procedures for ensuring that applicants receive, understand, and have sufficient time to complete any required forms or documentation that the universities or community college districts may require as part of the application process, such as supplemental forms that require applicants to self-certify that they have met the waiver eligibility requirements.

Response: Other, see explanation below.

Response explanation: EAC has not and will not require Supplemental forms, to certify waiver eligibility. This recommendation puts the onus of the application process, previously done by a contractor, on community college districts. EAC does not have the personnel or resources that would be needed to administer a stand-alone Program.

June 22, 2017

Ms. Debbie Davenport
Office of the Auditor General
2910 N. 44th Street, Ste. 410
Phoenix, AZ 85018

Dear Ms. Davenport:

On behalf of the Maricopa County Community College District (MCCCD), I have attached our responses to the Arizona Foster Care Tuition Waiver Pilot Programs performance audit. We appreciate the opportunity afforded throughout the process to provide information on how the MCCCD administers the Foster Care Tuition Waiver benefit, and to provide clarity regarding our role as a political subdivision of the state of Arizona.

Providing access to higher education for disadvantaged populations is a critical mission component of our community college system. Continued outreach to the foster youth population and identification of pathways for certificate and degree completion is a fundamental part of our student affairs.

Sincerely,

Maria Harper-Marinick, Ph.D.
Chancellor

Finding 1: Programs have assisted recipients, but data management needs improvement, and changes to some requirements may increase Programs' reach

Recommendation 1.1: The community college districts, and ABOR in collaboration with the universities, should each establish processes for collecting and/or reporting data on the Programs using one of the following options:

- If each community college district, and if ABOR in collaboration with the universities, continue using an outside service provider to collect the Programs' data, they should develop and implement policies and procedures for providing accurate and consistent data to the outside service provider and ensure that all appropriate staff are trained on these policies and procedures; or
- If each community college district, and if ABOR in collaboration with the universities, do not continue using an outside service provider to collect the Programs' data, they should develop and implement policies and procedures for collecting key program data that the Provider currently collects, such as who applied for a waiver, who received a waiver, and the reasons waivers were denied, and ensure that all appropriate staff are trained on these policies and procedures.

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

Response explanation: We will collaborate with our higher education partners, though as separate political subdivisions -- the development of policies, regulations and procedures are subject to the approval processes of each institution's governing body, executive leadership and internal control requirements for the expenditure of public funds.

Recommendation 1.2: 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—including the community college districts and ABOR—what program outcome data, such as graduation and dropout rates, should be tracked and reported.

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

Response explanation: Should the program continue, we will continue to identify the best methodology for tracking in conjunction with our higher education partners.

Recommendation 1.3: If the Legislature determines to continue the Programs, it should consider studying, in consultation with relevant stakeholders, the impacts and increased costs of modifying some requirements or adding additional supports to expand the reach of the Programs, such as:

- Requiring the community college districts and ABOR, as well as other state agencies such as the Arizona Department of Child Safety, to coordinate outreach efforts to ensure all eligible current and former foster youth are aware of the Programs and receive correct information about them;

- Increasing the age cap on eligibility to better reflect the educational trajectory of former foster youth;
- Modifying the eligible educational expenses or the order in which financial assistance is applied to increase the amount of financial aid available to current and former foster youth for other educational expenses; and
- Encouraging on-campus support programs to help meet current and former foster youths' nonfinancial needs.

Response: The finding of the Auditor General is agreed to and a different method of dealing with the finding will be implemented.

Response explanation: The Maricopa County Community College District (MCCCD) will collaborate with key higher educational partners and agencies on outreach and recruitment activities with respect to awareness of the supplemental waiver benefit. As the funding mechanism for the MCCCD comes from property taxes and tuition paid by other students, an increase in age and a modification of the eligible educational expenses in order to increase aid would have an impact on our institution as the MCCCD does not receive state aid.

Finding 2: ABOR and community college districts should improve Programs' implementation

Recommendation 2.1: The community college districts, and ABOR in collaboration with the universities, should each review their policies and procedures for processing waiver applications to ensure that they provide adequate and appropriate guidance for verifying that applicants meet all eligibility requirements before awarding a waiver. As part of this review, they should ensure that the policies and procedures align with the eligibility requirements governing foster care tuition waivers and that appropriate community college district and university staff who process waiver applications have been trained on the policies and procedures.

Response: Other, see explanation below.

Response explanation: The MCCCD has in place policies, processes and procedures to ensure that applicants meet all eligibility requirements before awarding a waiver, wherein adjustments are routinely made to address procedural matters. These policies and procedures will be reviewed annually to ensure that eligibility requirements outlined in the statute are being adhered to. As is currently the practice in the administration of all types of tuition waivers, persons identified as being benefits eligible who were not awarded the benefit at the point of enrollment or up to the eligibility recalculation date will be reimbursed the amount of benefit that should have been applied.

Recommendation 2.2: If the community college districts, and if ABOR in collaboration with the universities, identify any deficiencies in their policies and procedures or training as part of their review, they should modify their policies and procedures and/or train all relevant staff as appropriate.

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

Response explanation: The MCCCCD will continue to review its policies, processes and procedures on an annual bases and address and procedural deficiencies.

Recommendation 2.3: The community college districts, and ABOR in collaboration with the universities, should each determine whether they will continue using an outside service provider to assist in the Programs' operation, and then implement one of the following options:

- If the community college districts, and if ABOR in collaboration with the universities, continue using an outside service provider, they should each enter into a contract with an outside service provider that clearly defines the roles, responsibilities, and requirements for each party, including how the outside service provider will be monitored, how the Programs' data will be managed, and when the Programs' application will be made available to applicants; or
- If the community college districts, and if ABOR in collaboration with the universities, do not continue using an outside service provider, they should each develop processes for:
 - Ensuring that applicants have a method for applying for the Programs, including how to evaluate recipients if the Programs are not continued;
 - Ensuring that applicants meet the foster care eligibility requirement;
 - Ensuring that the Programs' application(s) are opened and/or reviewed each semester on a date that ensures applicants have adequate opportunity to make critical decisions about their college attendance and seek additional financial aid; and
 - Ensuring that statutorily required volunteer hours are completed.

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

Response explanation: The MCCCCD will consult with other higher educational institutions in the state to identify and consider contractor options. If a single contractor is selected by all higher educational institutions, it is presumed that the contractor will be vetted according to state of Arizona procurement requirements. In addition, as part of the contract, the contractor would meet the contractual requirements of the MCCCCD for the handling of personal identifiable information.

Recommendation 2.4: The community college districts, and ABOR in collaboration with the universities, should each develop and implement procedures for ensuring that applicants receive, understand, and have sufficient time to complete any required forms or documentation that the universities or community college districts may require as part of the application process, such as supplemental forms that require applicants to self-certify that they have met the waiver eligibility requirements.

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

Response explanation: If the program continues, MCCCCD would work with the contract provider in on the established timeline for processing, as well as internal procedures for benefit application. In addition, the MCCCCD will continue to support and serve this population through District Student Affairs and District Financial Aid Operations for the recruitment, outreach and awarding efforts. The verification of benefit eligibility is a priority for the MCCCCD and would continue. If the program is not continued, those recipients of the supplemental waiver would be evaluated through the term of their eligibility for the benefit.

20 June 2017

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

Dear Ms. Davenport:

Mohave Community College appreciates the opportunity to provide a response to the performance audit of the Arizona Foster Care Tuition Waiver Program conducted by your office that was received on June 16, 2017.

Attached is the District's response to your findings and recommendations. We look forward to sharing our progress in implementing these recommendations.

Sincerely,

Michael J. Kearns
President

**Mohave County
Community College
District Office**
1971 Jagerson Ave.
Kingman, AZ 86409

Bullhead City Campus
3400 Highway 95
Bullhead City, AZ 86442

Lake Havasu City Campus
1977 Acoma Blvd. West
Lake Havasu City, AZ 86403

Neal Campus - Kingman
1971 Jagerson Ave.
Kingman, AZ 86409

North Mohave Campus
480 S. Central
Colorado City, AZ 86021

www.mohave.edu
1.866.664.2832

Finding 1: Programs have assisted recipients, but data management needs improvement, and changes to some requirements may increase Programs' reach

Recommendation 1.1: The community college districts, and ABOR in collaboration with the universities, should each establish processes for collecting and/or reporting data on the Programs using one of the following options:

- If each community college district, and if ABOR in collaboration with the universities, continue using an outside service provider to collect the Programs' data, they should develop and implement policies and procedures for providing accurate and consistent data to the outside service provider and ensure that all appropriate staff are trained on these policies and procedures; or
- If each community college district, and if ABOR in collaboration with the universities, do not continue using an outside service provider to collect the Programs' data, they should develop and implement policies and procedures for collecting key program data that the Provider currently collects, such as who applied for a waiver, who received a waiver, and the reasons waivers were denied, and ensure that all appropriate staff are trained on these policies and procedures.

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

Response explanation: MCC will develop and implement policies and procedures for providing accurate and consistent data to the outside service provider and ensure that all appropriate staff are trained on these policies and procedures.

Recommendation 1.2: 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—including the community college districts and ABOR—what program outcome data, such as graduation and dropout rates, should be tracked and reported.

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

Response explanation: MCC will consider, in consultation with relevant stakeholders what program outcome data, such as graduation and dropout rates, should be tracked and reported.

Recommendation 1.3: If the Legislature determines to continue the Programs, it should consider studying, in consultation with relevant stakeholders, the impacts and increased costs of modifying some requirements or adding additional supports to expand the reach of the Programs, such as:

- Requiring the community college districts and ABOR, as well as other state agencies such as the Arizona Department of Child Safety, to coordinate outreach efforts to ensure all eligible current and former foster youth are aware of the Programs and receive correct information about them;

- Increasing the age cap on eligibility to better reflect the educational trajectory of former foster youth;
- Modifying the eligible educational expenses or the order in which financial assistance is applied to increase the amount of financial aid available to current and former foster youth for other educational expenses; and
- Encouraging on-campus support programs to help meet current and former foster youths' nonfinancial needs.

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

Response explanation: MCC will consider studying, in consultation with relevant stakeholders, the impacts and increased costs of modifying some requirements or adding additional supports to expand the reach of the Programs.

Finding 2: ABOR and community college districts should improve Programs' implementation

Recommendation 2.1: The community college districts, and ABOR in collaboration with the universities, should each review their policies and procedures for processing waiver applications to ensure that they provide adequate and appropriate guidance for verifying that applicants meet all eligibility requirements before awarding a waiver. As part of this review, they should ensure that the policies and procedures align with the eligibility requirements governing foster care tuition waivers and that appropriate community college district and university staff who process waiver applications have been trained on the policies and procedures.

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

Response explanation: MCC will review their policies and procedures for processing waiver applications to ensure that they provide adequate and appropriate guidance for verifying that applicants meet all eligibility requirements before awarding a waiver.

Recommendation 2.2: If the community college districts, and if ABOR in collaboration with the universities, identify any deficiencies in their policies and procedures or training as part of their review, they should modify their policies and procedures and/or train all relevant staff as appropriate.

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

Response explanation: If MCC identifies any deficiencies in their policies and procedures or training as part of their review, they will modify their policies and procedures and/or train all relevant staff as appropriate.

Recommendation 2.3: The community college districts, and ABOR in collaboration with the universities, should each determine whether they will continue using an outside service provider to assist in the Programs' operation, and then implement one of the following options:

- If the community college districts, and if ABOR in collaboration with the universities, continue using an outside service provider, they should each enter into a contract with an outside service provider that clearly defines the roles, responsibilities, and requirements for each party, including how the outside service provider will be monitored, how the Programs' data will be managed, and when the Programs' application will be made available to applicants; or
- If the community college districts, and if ABOR in collaboration with the universities, do not continue using an outside service provider, they should each develop processes for:
 - Ensuring that applicants have a method for applying for the Programs, including how to evaluate recipients if the Programs are not continued;
 - Ensuring that applicants meet the foster care eligibility requirement;
 - Ensuring that the Programs' application(s) are opened and/or reviewed each semester on a date that ensures applicants have adequate opportunity to make critical decisions about their college attendance and seek additional financial aid; and
 - Ensuring that statutorily required volunteer hours are completed.

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

Response explanation: MCC will continue using an outside service provider and enter into a contract with an outside service provider that clearly defines the roles, responsibilities, and requirements for each party.

Recommendation 2.4: The community college districts, and ABOR in collaboration with the universities, should each develop and implement procedures for ensuring that applicants receive, understand, and have sufficient time to complete any required forms or documentation that the universities or community college districts may require as part of the application process, such as supplemental forms that require applicants to self-certify that they have met the waiver eligibility requirements.

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

Response explanation: MCC will develop and implement procedures for ensuring that applicants receive, understand, and have sufficient time to complete any required forms or documentation as part of the application process.



NORTHLAND PIONEER COLLEGE

Office of the President

June 22, 2017

Debbie Davenport

State of Arizona Office of the Auditor General

Please find attached Northland Pioneer College's response, as requested, to the performance audit of the Arizona Foster Care Tuition Waiver Pilot Program. If there are further inquiries, please don't hesitate to contact my office.

Sincerely,

Jeanne Swarthout, Ph.D.

President

Northland Pioneer College

Northland Pioneer College Response to findings from the Auditor General's Office related to the implementation of the Arizona Foster Care Tuition Waiver Pilot Programs

Finding 1: Programs have assisted recipients, but data management needs improvement, and changes to some requirements may increase Programs' reach

Recommendation 1.1: The community college districts, and ABOR in collaboration with the universities, should each establish processes for collecting and/or reporting data on the Programs using one of the following options:

- If each community college district, and if ABOR in collaboration with the universities, continue using an outside service provider to collect the Programs' data, they should develop and implement policies and procedures for providing accurate and consistent data to the outside service provider and ensure that all appropriate staff are trained on these policies and procedures; or
- If each community college district, and if ABOR in collaboration with the universities, do not continue using an outside service provider to collect the Programs' data, they should develop and implement policies and procedures for collecting key program data that the Provider currently collects, such as who applied for a waiver, who received a waiver, and the reasons waivers were denied, and ensure that all appropriate staff are trained on these policies and procedures.

Response: The finding of the Auditor General is not agreed to and the recommendation will not be implemented.

Response explanation: Northland Pioneer College has implemented the required policies and procedures for the pilot program and is participating in the tuition waiver program consistent with current law. However, none (0) of the Northland Pioneer College Waiver Applicants were deemed eligible for a tuition waiver. This determination was based on the information received within the FAFSA and the college admissions process after notification from the Foster Care service provider. The Foster Care service provider verifies eligibility regarding the age (16) and the applicant's status in the program. Once status is determined the Foster Care organization submits this information into the database and then notifies the college. Waiver Applicants are required to fill out the FAFSA before being considered for the tuition waiver. Northland Pioneer College uses the FAFSA to determine the student's citizenship status as students who have completed a FAFSA will have already verified lawful presence in the U.S. The applicant must be in an accredited degree or certificate program to qualify for this waiver. After the first academic year the student must demonstrate that they have completed 30 hours of volunteer service before they can be eligible to receive the next tuition waiver. The volunteer hours are monitored and substantiated by the Foster Care service provider. The institution has policies and procedures on how to maintain good standing, and on how to handle the Federal FAFSA and other funds. The FAFSA is the main tool used in determining eligibility in the waiver program and is where we find the required information needed to comply with the statute.

Recommendation 1.2: 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—including the community college districts and ABOR—what program outcome data, such as graduation and dropout rates, should be tracked and reported.

Northland Pioneer College Response to findings from the Auditor General's Office related to the implementation of the Arizona Foster Care Tuition Waiver Pilot Programs

Response: Not applicable.

Response explanation: This recommendation is outside the purview of Northland Pioneer College, as the Legislature will make that assessment and future law. The statute does not currently require institutions to determine what outcome data should be tracked. Northland Pioneer College has complied with the law as outcomes reporting are outside of the current scope of Arizona Revised Statute 15-1809. Should the legislature desire to continue the program, and if the recommendations outlined by the Auditor General are accepted, additional resources should be provided the universities and colleges for this extensive data collection activity.

Recommendation 1.3: If the Legislature determines to continue the Programs, it should consider studying, in consultation with relevant stakeholders, the impacts and increased costs of modifying some requirements or adding additional supports to expand the reach of the Programs, such as:

- Requiring the community college districts and ABOR, as well as other state agencies such as the Arizona Department of Child Safety, to coordinate outreach efforts to ensure all eligible current and former foster youth are aware of the Programs and receive correct information about them;
- Increasing the age cap on eligibility to better reflect the educational trajectory of former foster youth;
- Modifying the eligible educational expenses or the order in which financial assistance is applied to increase the amount of financial aid available to current and former foster youth for other educational expenses; and
- Encouraging on-campus support programs to help meet current and former foster youths' nonfinancial needs.

Response: Not applicable.

Response explanation: This recommendation is only within the purview of the Arizona State Legislature and does not apply to universities and community colleges. Northland Pioneer College has complied with the current law. Arizona Revised Statute 15-1809 does not currently require institutions to comply with the recommendation listed above. Should the legislature desire to continue the program, and if the recommendation outlined by the Auditor General is accepted, additional resources should be provided the universities and colleges for these extensive activities.

Northland Pioneer College Response to findings from the Auditor General's Office related to the implementation of the Arizona Foster Care Tuition Waiver Pilot Programs

Finding 2: ABOR and community college districts should improve Programs' implementation

Recommendation 2.1: The community college districts, and ABOR in collaboration with the universities, should each review their policies and procedures for processing waiver applications to ensure that they provide adequate and appropriate guidance for verifying that applicants meet all eligibility requirements before awarding a waiver. As part of this review, they should ensure that the policies and procedures align with the eligibility requirements governing foster care tuition waivers and that appropriate community college district and university staff who process waiver applications have been trained on the policies and procedures.

Response: Other, see explanation below.

Response explanation: The statute does not currently specify operational methods such as those recommended. Northland Pioneer College's policies and procedures are currently in full compliance with the wording of Arizona Revised Statute 15-1809 including all applicable eligibility and funding requirements.

Recommendation 2.2: If the community college districts, and if ABOR in collaboration with the universities, identify any deficiencies in their policies and procedures or training as part of their review, they should modify their policies and procedures and/or train all relevant staff as appropriate.

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

Response explanation: If any deficiencies in Northland Pioneer College policies and procedures are found, the college will modify them and train staff accordingly. The college's Financial Aid Office has made necessary updates to policy and procedure and ensured that financial aid staff are trained on all applicable changes.

Recommendation 2.3: The community college districts, and ABOR in collaboration with the universities, should each determine whether they will continue using an outside service provider to assist in the Programs' operation, and then implement one of the following options:

- If the community college districts, and if ABOR in collaboration with the universities, continue using an outside service provider, they should each enter into a contract with an outside service provider that clearly defines the roles, responsibilities, and requirements for each party, including how the outside service provider will be monitored, how the Programs' data will be managed, and when the Programs' application will be made available to applicants; or
- If the community college districts, and if ABOR in collaboration with the universities, do not continue using an outside service provider, they should each develop processes for:
 - Ensuring that applicants have a method for applying for the Programs, including how to evaluate recipients if the Programs are not continued;
 - Ensuring that applicants meet the foster care eligibility requirement;

Northland Pioneer College Response to findings from the Auditor General's Office related to the implementation of the Arizona Foster Care Tuition Waiver Pilot Programs

- Ensuring that the Programs' application(s) are opened and/or reviewed each semester on a date that ensures applicants have adequate opportunity to make critical decisions about their college attendance and seek additional financial aid; and
- Ensuring that statutorily required volunteer hours are completed.

Response: The finding of the Auditor General is not agreed to and the recommendation will not be implemented.

Response explanation: The statute does not currently specify operational methods such as those recommended. Northland Pioneer College is currently in full compliance with the wording of Arizona Revised Statute 15-1809 without contractual arrangements. None (0) of the Northland Pioneer College Waiver Applicants were deemed eligible for a tuition waiver. The institutional procedure for determining eligibility is outlined in our response explanation to **Recommendation 1.1**. Should the legislature desire to continue the program, and if the recommendation outlined by the Auditor General is approved, additional resources should be provided the universities and colleges for these required operating activities.

Recommendation 2.4: The community college districts, and ABOR in collaboration with the universities, should each develop and implement procedures for ensuring that applicants receive, understand, and have sufficient time to complete any required forms or documentation that the universities or community college districts may require as part of the application process, such as supplemental forms that require applicants to self-certify that they have met the waiver eligibility requirements.

Response: Other, see explanation below.

Response explanation: The statute does not currently specify operational methods such as those recommended. Northland Pioneer College is currently in full compliance with the wording of Arizona Revised Statute 15-1809 with our revised policies and procedures. Should the legislature desire to continue the program, and if the recommendation outlined by the Auditor General is approved, additional resources should be provided the universities and colleges for these required operating activities.



PimaCountyCommunityCollegeDistrict

District Office

*Office of the Provost/Executive Vice Chancellor
for Academic and Student Services
4905B East Broadway Boulevard
Tucson, Arizona 85709-1100
Telephone (520) 206-4999
Fax (520) 206-4788
www.pima.edu*

May 2017

Debra K. Davenport, CPA
Auditor General
Office of the Auditor General
2910 North 44th Street, Suite 410
Phoenix, AZ 85018

Please accept the attached response to the **Arizona Foster Care Tuition Waiver Programs Audit from Pima Community College.**

Best,

Dolores Durán-Cerda, Ph.D.
Acting Provost and Executive Vice Chancellor
Pima Community College

Finding 1: Programs have assisted recipients, but data management needs improvement, and changes to some requirements may increase Programs' reach

Recommendation 1.1: The community college districts, and ABOR in collaboration with the universities, should each establish processes for collecting and/or reporting data on the Programs using one of the following options:

- If each community college district, and if ABOR in collaboration with the universities, continue using an outside service provider to collect the Programs' data, they should develop and implement policies and procedures for providing accurate and consistent data to the outside service provider and ensure that all appropriate staff are trained on these policies and procedures; or
- If each community college district, and if ABOR in collaboration with the universities, do not continue using an outside service provider to collect the Programs' data, they should develop and implement policies and procedures for collecting key program data that the Provider currently collects, such as who applied for a waiver, who received a waiver, and the reasons waivers were denied, and ensure that all appropriate staff are trained on these policies and procedures.

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

Response explanation: : The finding is correct in substance; however, the finding does not include the lack of a coordinated state effort for this program. The state of Arizona does not have a coordinated, central state authority that provides procedural guidance. The recommended corrective action is dependent upon all the community college districts and ABOR to form a group to work with the legislature, as well as other state agencies. There is no central liaison identified to begin this process and resources allocated to support a statewide initiative.

Recommendation 1.2: 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—including the community college districts and ABOR—what program outcome data, such as graduation and dropout rates, should be tracked and reported.

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

Response explanation: The finding is correct in substance; however, the finding does not include the lack of a coordinated state effort for this program. The state of Arizona does not have a coordinated, central state authority that provides procedural guidance. The recommended corrective action is dependent upon all the community college districts and ABOR to form a group to work with the legislature, as well as other state agencies. There is no central liaison identified to begin this process and resources allocated to support a statewide initiative.

Recommendation 1.3: If the Legislature determines to continue the Programs, it should consider studying, in consultation with relevant stakeholders, the impacts and increased costs of modifying some requirements or adding additional supports to expand the reach of the Programs, such as:

- Requiring the community college districts and ABOR, as well as other state agencies such as the Arizona Department of Child Safety, to coordinate outreach efforts to ensure all eligible current and former foster youth are aware of the Programs and receive correct information about them;
- Increasing the age cap on eligibility to better reflect the educational trajectory of former foster youth;
- Modifying the eligible educational expenses or the order in which financial assistance is applied to increase the amount of financial aid available to current and former foster youth for other educational expenses; and
- Encouraging on-campus support programs to help meet current and former foster youths' nonfinancial needs.

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

Response explanation: The finding is correct in substance; however, the finding does not include the lack of a coordinated state effort for this program. The state of Arizona does not have a coordinated, central state authority that provides procedural guidance. The recommended corrective action is dependent upon all the community college districts and ABOR to form a group to work with the legislature, as well as other state agencies. There is no central liaison identified to begin this process and resources allocated to support a statewide initiative.

Finding 2: ABOR and community college districts should improve Programs' implementation

Recommendation 2.1: The community college districts, and ABOR in collaboration with the universities, should each review their policies and procedures for processing waiver applications to ensure that they provide adequate and appropriate guidance for verifying that applicants meet all eligibility requirements before awarding a waiver. As part of this review, they should ensure that the policies and procedures align with the eligibility requirements governing foster care tuition waivers and that appropriate community college district and university staff who process waiver applications have been trained on the policies and procedures.

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

Response explanation: The finding is correct in substance; however, the finding does not include the lack of a coordinated state effort for this program. The state of Arizona does not have a coordinated, central state authority that provides procedural guidance. The recommended corrective action is dependent upon all the community college districts and ABOR to form a group to work with the legislature, as well as other state agencies. There is no central liaison identified to begin this process and resources allocated to support a statewide initiative.

Recommendation 2.2: If the community college districts, and if ABOR in collaboration with the universities, identify any deficiencies in their policies and procedures or training as part of their review, they should modify their policies and procedures and/or train all relevant staff as appropriate.

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

Response explanation: The finding is correct in substance; however, the finding does not include the lack of a coordinated state effort for this program. The state of Arizona does not have a coordinated, central state authority that provides procedural guidance. The recommended corrective action is dependent upon all the community college districts and ABOR to form a group to work with the legislature, as well as other state agencies. There is no central liaison identified to begin this process and resources allocated to support a statewide initiative.

Recommendation 2.3: The community college districts, and ABOR in collaboration with the universities, should each determine whether they will continue using an outside service provider to assist in the Programs' operation, and then implement one of the following options:

- If the community college districts, and if ABOR in collaboration with the universities, continue using an outside service provider, they should each enter into a contract with an outside service provider that clearly defines the roles, responsibilities, and requirements for each party, including how the outside service provider will be monitored, how the Programs' data will be managed, and when the Programs' application will be made available to applicants; or
- If the community college districts, and if ABOR in collaboration with the universities, do not continue using an outside service provider, they should each develop processes for:
 - Ensuring that applicants have a method for applying for the Programs, including how to evaluate recipients if the Programs are not continued;
 - Ensuring that applicants meet the foster care eligibility requirement;
 - Ensuring that the Programs' application(s) are opened and/or reviewed each semester on a date that ensures applicants have adequate opportunity to make critical decisions about their college attendance and seek additional financial aid; and
 - Ensuring that statutorily required volunteer hours are completed.

Response: The finding of the Auditor General is agreed to and a different method of dealing with the finding will be implemented.

Response explanation: The finding is correct in substance; however, the finding does not include the lack of a coordinated state effort for this program. The state of Arizona does not have a coordinated, central state authority that provides procedural guidance. The recommended corrective action is dependent upon all the community college districts and ABOR to form a group to work with the legislature, as well as other state agencies. There is no central liaison identified to begin this process and resources allocated to support a statewide initiative.

Recommendation 2.4: The community college districts, and ABOR in collaboration with the universities, should each develop and implement procedures for ensuring that applicants receive, understand, and have sufficient time to complete any required forms or documentation that the universities or community college districts may require as part of the application process, such as supplemental forms that require applicants to self-certify that they have met the waiver eligibility requirements.

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

Response explanation: The finding is correct in substance; however, the finding does not include the lack of a coordinated state effort for this program. The state of Arizona does not have a coordinated, central state authority that provides procedural guidance. The recommended corrective action is dependent upon all the community college districts and ABOR to form a group to work with the legislature, as well as other state agencies. There is no central liaison identified to begin this process and resources allocated to support a statewide initiative.

Ms. Debbie Davenport, Auditor General
Office of the Auditor General
2910 N 44th Street, Ste. 410
Phoenix, AZ 85018

Dear Ms. Davenport,

Attached, please find the responses of the Arizona Foster Care Tuition Waiver Pilot Programs from Yavapai College. We understand the importance of this program, and look forward to its continuation.

It has been a pleasure working with your office.

If you have any questions, please contact me at:

Diana Dowling
Diana.Dowling@yc.edu
928.776.2391

Finding 1: Programs have assisted recipients, but data management needs improvement, and changes to some requirements may increase Programs' reach

Recommendation 1.1: The community college districts, and ABOR in collaboration with the universities, should each establish processes for collecting and/or reporting data on the Programs using one of the following options:

- If each community college district, and if ABOR in collaboration with the universities, continue using an outside service provider to collect the Programs' data, they should develop and implement policies and procedures for providing accurate and consistent data to the outside service provider and ensure that all appropriate staff are trained on these policies and procedures; or
- If each community college district, and if ABOR in collaboration with the universities, do not continue using an outside service provider to collect the Programs' data, they should develop and implement policies and procedures for collecting key program data that the Provider currently collects, such as who applied for a waiver, who received a waiver, and the reasons waivers were denied, and ensure that all appropriate staff are trained on these policies and procedures.

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

Response explanation: Yavapai College utilizes the FosterCare2Success website to collect and track information and has maintained compliance by using this service provider. If the community college districts decide not to use the contracted outside service provider, then the college would implement a mechanism for collecting key data as prescribed by law. Yavapai College has limited funding and staff and would need additional operational funding from the state in order to collect key data.

Recommendation 1.2: 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—including the community college districts and ABOR—what program outcome data, such as graduation and dropout rates, should be tracked and reported.

Response: Not applicable.

Response explanation: Yavapai College has been informed by the Arizona Auditor General that this finding is targeted towards the Arizona State Legislature and that no response from the College is needed.

Recommendation 1.3: If the Legislature determines to continue the Programs, it should consider studying, in consultation with relevant stakeholders, the impacts and increased costs of modifying some requirements or adding additional supports to expand the reach of the Programs, such as:

- Requiring the community college districts and ABOR, as well as other state agencies such as the Arizona Department of Child Safety, to coordinate outreach efforts to ensure all eligible current and former foster youth are aware of the Programs and receive correct information about them;
- Increasing the age cap on eligibility to better reflect the educational trajectory of former foster youth;
- Modifying the eligible educational expenses or the order in which financial assistance is applied to increase the amount of financial aid available to current and former foster youth for other educational expenses; and
- Encouraging on-campus support programs to help meet current and former foster youths' nonfinancial needs.

Response: Not applicable.

Response explanation: Yavapai College has been informed by the Arizona Auditor General that this finding is targeted towards the Arizona State Legislature and that no response from the College is needed.

Finding 2: ABOR and community college districts should improve Programs' implementation

Recommendation 2.1: The community college districts, and ABOR in collaboration with the universities, should each review their policies and procedures for processing waiver applications to ensure that they provide adequate and appropriate guidance for verifying that applicants meet all eligibility requirements before awarding a waiver. As part of this review, they should ensure that the policies and procedures align with the eligibility requirements governing foster care tuition waivers and that appropriate community college district and university staff who process waiver applications have been trained on the policies and procedures.

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

Response explanation: Yavapai College currently verifies that applicants meet eligibility requirements. Recommendations that relate to best practice program improvements will be considered and implemented as needed.

Recommendation 2.2: If the community college districts, and if ABOR in collaboration with the universities, identify any deficiencies in their policies and procedures or training as part of their review, they should modify their policies and procedures and/or train all relevant staff as appropriate.

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

Response explanation: Yavapai College regularly reviews their policies and procedures for deficiencies and trains staff accordingly.

Recommendation 2.3: The community college districts, and ABOR in collaboration with the universities, should each determine whether they will continue using an outside service provider to assist in the Programs' operation, and then implement one of the following options:

- If the community college districts, and if ABOR in collaboration with the universities, continue using an outside service provider, they should each enter into a contract with an outside service provider that clearly defines the roles, responsibilities, and requirements for each party, including how the outside service provider will be monitored, how the Programs' data will be managed, and when the Programs' application will be made available to applicants; or
- If the community college districts, and if ABOR in collaboration with the universities, do not continue using an outside service provider, they should each develop processes for:
 - Ensuring that applicants have a method for applying for the Programs, including how to evaluate recipients if the Programs are not continued;
 - Ensuring that applicants meet the foster care eligibility requirement;
 - Ensuring that the Programs' application(s) are opened and/or reviewed each semester on a date that ensures applicants have adequate opportunity to make critical decisions about their college attendance and seek additional financial aid; and
 - Ensuring that statutorily required volunteer hours are completed.

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

Response explanation: If Yavapai College discontinued using FosterCare2Success, then Yavapai College would ensure that applicants have a method for applying for the Programs, ensure they meet the foster care eligibility requirement, ensure the Programs' applications(s) are opened and/or reviewed each semester on a date that ensures applicants

have adequate opportunity to make critical decisions about their college attendance and seek additional financial aid and ensure that statutorily required volunteer hours are completed. Yavapai College has minimal funding and staffing and would need additional operational funding from the state to replace services currently provided by FosterCare2Success.

Recommendation 2.4: The community college districts, and ABOR in collaboration with the universities, should each develop and implement procedures for ensuring that applicants receive, understand, and have sufficient time to complete any required forms or documentation that the universities or community college districts may require as part of the application process, such as supplemental forms that require applicants to self-certify that they have met the waiver eligibility requirements.

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

Response explanation: The Auditor General did not identify any material weaknesses with regard to the application process at Yavapai College. Yavapai College believes that the process offered by FosterCare2Success works well and that students have sufficient time to complete their forms

