

Arizona Department of Environmental Quality

Department met its statutory objective and purpose in some areas we reviewed but had not complied with State conflict-of-interest requirements and did not fully implement some key information technology (IT) security policies and requirements

Audit purpose

To respond to the statutory sunset factors and determine whether the Department had implemented key IT security policies and requirements, complied with State conflict-of-interest requirements and aligned its conflict-of-interest process with recommended practices, and processed Vehicle Emissions Inspection Program (VEIP) comments in accordance with its policies.

Key findings

- Department responsibilities include administering Arizona's environmental laws and programs and federal laws for which the State has regulatory authority to help prevent and address environmental pollution, including issuing permits and conducting inspections for air quality, waste management, and water quality, and implementing the VEIP.
- According to Department data, the Department reduced the average time needed to issue all permits by 76 percent between 2016 and 2020, helped to close more than 1,200 leaking underground storage tank sites across the State that were releasing petroleum between fiscal years 2011 and 2020, and helped more than 200 public water systems return to and stay in compliance with safe drinking water regulations since fiscal year 2016.
- The Department did not comply with several State conflict-of-interest requirements, such as requiring all employees to complete a disclosure form upon hire and maintaining a special file of completed forms disclosing substantial interests, increasing the risk that employees and public officers had not disclosed substantial interests that might influence or could affect their official conduct. The Department improved its conflict-of-interest policies and practices during the audit, including adopting recommended practices.
- The Department did not fully implement some key IT security policies and requirements, such as ensuring that Department contractors and all Department employees completed annual security awareness training and disabling unnecessary IT system accounts.
- The Department exceeded its time frames for processing 4 of 5 VEIP comments we reviewed, which included general feedback, incidents at testing sites, and complaints.

Key recommendations

The Department should:

- Continue to implement its updated conflict-of-interest policies and procedures to help ensure it complies with conflict-of-interest requirements and follows recommended practices and provide periodic training on its conflict-of-interest requirements and process to all employees and public officers.
- Create a written action plan that prioritizes developing and implementing required IT security policies and procedures, and develop and implement IT security policies and procedures consistent with its action plan.
- Respond to and close comments regarding the VEIP within required time frames.