



**On-Call Services Agreement
Follow-Up Audit
No. A2026-04**

Issued by the
Internal Audit Department
March 2, 2026

**City of El Paso
Internal Audit Department
On-Call Services Agreement Follow-Up Audit A2026-04**

EXECUTIVE SUMMARY

The Internal Audit Department conducted a Follow-Up Audit of On-Call Services Agreement Audit Report dated February 27, 2025. The original Audit Report contained four (4) findings. Upon completion of the audit fieldwork, we have determined the status of the recommendations for each audit finding as outlined in the table below:

Finding No.	Description of Original Findings	Status
1	The Capital Improvement Department’s internal procedures “for the selection of Professional Services” need to be updated to reflect current practices in place.	Implemented
2	<p>The Capital Improvement Department is not ensuring debarment checks, indebtedness verifications, and insurance confirmations are conducted and documented for all On-Call Consultants.</p> <ul style="list-style-type: none"> • Eighteen (18) out of eighteen (18) On-Call Consultant (100%) files did not contain evidence that a debarment check was conducted. • Twelve (12) out of eighteen (18) On-Call Consultant (66.67%) files did not contain evidence of verification of indebtedness to the City. • Three (3) out of eighteen (18) On-Call Consultants (16.67%) did not submit all required certificates of insurance. 	In Progress
3	<p>Nine (9) invoices paid by the Capital Improvement Department (CID) from February 29, 2024 to June 25, 2024 for On-Call Professional Services were selected for review. Our review identified the following non-compliance issue with the <i>City of El Paso Accounts Payable Policy</i>:</p> <ul style="list-style-type: none"> • Four (4) out of nine (9) invoices (44.45%) were not paid within 30 calendar days of receiving the invoice. Payments were posted 32 to 56 days from the date of the invoice. 	In Progress
4	<p>Nine (9) invoices paid by the Capital Improvement Department (CID) from February 29, 2024 to June 25, 2024 for On-Call Professional Services were selected for review. Our review identified the following non-compliance issues with the <i>On-Call Agreements for Professional Services</i>:</p> <ul style="list-style-type: none"> • Three (3) out of nine (9) invoices (33.34%) did not have documentation to confirm that tasks were completed by established deadlines. • Two (2) out of nine (9) invoices (22.23%) could not be matched to the <i>Consultant’s Fee Proposal & Hourly Rates</i>. • One (1) out of nine (9) invoices (11.12%) did not contain the total project budget, amount billed to date, and percentage of completion. 	In Progress

For a detailed explanation of the findings and current observations, please refer to the appropriate finding contained in the body of this Audit Report.

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BACKGROUND

The *Generally Accepted Government Auditing Standards* (Standard 8.30) states that auditors should evaluate whether the audited entity has taken appropriate corrective action to address findings and recommendations from previous engagements. The *Global Internal Audit Standards* (Standard 15.2) require that the Chief Audit Executive establish a follow-up process to monitor and ensure that management actions have been effectively implemented or that senior management has accepted the risk of not taking action.

The City of El Paso utilizes On-Call Agreements to retain consultants for capital projects under \$3.5 million. Under the Texas Professional Services Procurement Act (Chapter 2254), professional services—such as architecture, engineering, land surveying, and real estate appraising—cannot be procured through competitive bidding. Instead, the most qualified provider must be selected based on demonstrated competence and qualifications.

The City of El Paso procures professional services through Requests for Qualifications (RFQs), which outline the scope, required qualifications, and evaluation criteria for Statements of Qualifications (SOQs). Evaluation criteria include professional qualifications, specialized experience, capacity to meet deadlines, past performance, and geographic proximity with knowledge of the project area.

On-Call Agreements are awarded in two (2) year cycles to the highest-ranked firms, typically to three to five firms for each discipline. For most services, On-Call assignments are given on a Task Order basis to the most qualified for the specific scope of work. Task Order notices are issued to all of the On-Call providers of the specific discipline (e.g., civil engineering). Responses to Task Order notices are evaluated by the project team, and the most qualified is selected to initiate negotiations. Each On-Call Agreement has an established budget with authorization for the City Engineer to approve additional services and reimbursables up to an established amount, when deemed necessary. The City Engineer provides general oversight and direction over professional services for the City's capital projects.

AUDIT OBJECTIVES

The audit objective of the follow-up process was to ensure that corrective action was taken by the Capital Improvement Department to address the recommendations detailed in the original Audit Report titled *On-Call Services Agreement Audit* dated February 27, 2025.

AUDIT SCOPE

The Follow-Up Audit was limited to a review of the Findings in the Original Audit report titled *On-Call Services Agreement Audit* dated February 27, 2025. The audit period encompassed operations from August 1, 2025 through March 2, 2026.

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AUDIT METHODOLOGY

To achieve our audit objectives, we:

- Conducted interviews with Capital Improvement Department (CID) management and staff.
- Reviewed *Procedures for the Selection of Professional Services* dated March 2025.
- Conducted a review of Consultant files for two (2) *On-Call Agreements for Professional Services* awarded to the following seven (7) Consultants after August 1, 2025:

No.	Consultants	Professional Service	Solicitation #	Award Date
1	AECOM Technical Services, Inc.	Civil Engineering	2025-0327R	August 5, 2025
2	CEA Engineering Group Inc.			
3	Conzor Engineers, LLC			
4	GRV Integrated Engineering Solutions, LLC			
5	Huitt-Zollars, Inc.			
6	Moreno Cardenas, Inc.			
7	WSP USA, Inc.	Environmental (Engineering) EPIA	2025-0454R	September 16, 2025

- Analyzed the following sample of seven (7) invoices/vouchers paid by CID staff for On-Call Professional Services during the month of January 2026:

#	Invoice #	Invoice Payment Date	Voucher #	Dept.	On-Call Agreement #	Invoice Amount
1	25141	1/2/2026	26033011	190	IN_SITU_ARCH_2022	\$2,865.98
2	4287	1/7/2026	26034038	190	ABLE_CITY_PRO_SVCS_2023	\$2,450.67
3	1A3476301	1/7/2026	26033971	334	SMAMILLER_PRO_SVCS_2024	\$4,391.40
4	25130	1/12/2026	26035599	564	INSITU_ARCH_2024	\$5,947.86
5	1A3469101	1/14/2026	26035996	562	SMAMILLER_PRO_SVCS_2024	\$4,801.20
6	25-006.02	1/20/2026	26037220	190	CARDINA_ELECTRICMECH_2024	\$14,692.48
7	23-02799-001-000012	1/27/2026	26039377	190	JMT_CONST_MGMT_2024	\$22,742.82
					Total	\$57,892.41

We conducted this audit in accordance with *Generally Accepted Government Auditing Standards* and the *Global Internal Audit 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.

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ORIGINAL FINDINGS, CRITERIA, ORIGINAL RECOMMENDATIONS, MANAGEMENT’S RESPONSES TO ORIGINAL FINDINGS, CURRENT OBSERVATIONS AND STATUS

Based on the follow-up audit results, each original finding recommendation will be designated with one of the following four status categories:

<i>Implemented</i>	The finding has been addressed by implementing the original corrective action or an alternative corrective action.
<i>In Progress</i>	The corrective action has been initiated but is not complete.
<i>Not Applicable</i>	The recommendation is no longer applicable due to changes in procedures or changes in technology.
<i>Not Implemented</i>	The recommendation was ignored, there were changes in staffing levels, or management has decided to assume the risk.

Original Finding 1 (Report dated February 27, 2025)

Department Policies and Procedures

A review of the Capital Improvement Department’s (CID) internal procedures “for the selection of Professional Services” provided on July 2, 2024 identified the following:

- The procedures do not have an “effective date.”
- The procedures reference the former job title of the Business Contracts Manager.
- The Sam.gov weblink cited in the procedures for debarment checks is no longer active.
- The procedures unique to the selection of On-Call Consultants do not reflect the current practices in place. The procedures do not address:
 - Specific steps in performing City indebtedness verifications.
 - Specific steps in performing vendor debarment checks.
 - The methodology used for rotating the selection of Consultants.
 - The review process of proposals for Task Orders.
 - Situations when a Consultant’s price quote for Task Orders do not match the approved hourly rates in the Consultant’s On-Call Agreement.
 - How CID staff monitor the progress of Task Orders.

Standard/Criteria

City of El Paso Strategic Plan:

- *Goal 6.12 Maintain systems integrity, compliance and business continuity.*

A strong system of internal controls requires that Policies and Procedures be developed that document routine or repetitive activity followed by an organization. The development and use of Policies and Procedures are an integral part of a successful quality system as it provides individuals with the information and guidance to perform a job properly.

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Original Recommendation

The Capital Improvement Department (CID) should update their *Procedures for the Selection of Professional Services* to:

- Include an “effective date.”
- Contain updated job titles and working weblinks.
- Reflect current practices in place, unique to the selection of On-Call Consultants. The manual should be updated to include:
 - Specific steps in performing City indebtedness verifications. These completed steps should be documented in the On-Call Consultant’s file.
 - Specific steps in performing vendor debarment checks. These completed steps should be documented in the On-Call Consultant’s file.
 - Methodology used for rotating the selection of Consultants.
 - The review process of proposals for Task Orders.
 - When a Consultant’s price quote for Task Orders do not match the approved hourly rates in the Consultant’s On-Call Agreement.
 - How CID staff monitor the progress of Task Orders.

Management’s Response to Original Finding

Staff has updated job titles and included an effective date on the procedure.

Regarding the procedure to the selection of on-call consultants: Staff has included that rotation of tasks are specifically for city-funded projects, and deviation from this assignment shall follow the defined federal process for task order requirement notices. The document directs staff to utilize an alternate task order requirement notices (TORN) approach. The term “rotational” in and of itself would be the proposed methodology.

Section 5 references policy of the City of El Paso to check if a vendor has been debarred prior to entering into a contract. During the audit was discovered that the checks were not saved to the file correctly. Debarment and Indebtedness checks are mentioned in the policy, however staff will update the sam.gov link and clearly outline the process.

The review process of proposals for the Task Order may reference the project specific process. Will add within procedures to reference “Scoping Meeting and Fee Proposal Negotiations”

Proposal review, cost estimate practices, and project monitoring are defined in current procedures and follow standard processes: “The scoping meeting will be held with the preliminary selected firm to discuss the project scope and the deadline for the submittal of the fee proposal. The project manager will review and negotiate the fee proposal with the firm. The project manager will prepare an independent cost estimate, record of negotiations, and make a recommendation to the City Engineer to accept the final fee proposal.”

How staff monitors the progress of the Task Order is defined in the RFQ under section Project Schedule. The section requires for the consultant to submit a detailed preliminary schedule based on project scope including review time by the owner. The schedule will also identify phases included within the contract.

Responsible Party

Elsa Rodriguez

Implementation Date

July 7, 2025

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Current Observation

The Capital Improvement Department (CID) has updated its *Procedures for the Selection of Professional Services* to include:

- An effective date of March 2025.
- Current job titles and active working weblinks.
- The following procedures that reflect current practices in place for the selection of On-Call Consultants:
 - Steps for performing and documenting City indebtedness verifications.
 - Steps for performing and documenting vendor debarment checks.
 - Methodology used for rotating the selection of On-Call Consultants. Tasks for City-funded projects are assigned on a rotational basis. Tasks for federally-funded projects are assigned using the Task Order Requirement Notice.
 - The review process of proposals for Task Orders.

The *Procedures for the Selection of Professional Services* were not updated to include:

- Situations when a Consultant's Task Order price quote does not align with the approved hourly rates in the Consultant's On-Call Agreement.
 - Procedures state: *Negotiations will be based on an independent cost estimate prepared by the Project Manager using hourly rates data maintained by the Contracts Manager.*
 - According to CID, staff must ensure that all quoted rates match the Business Contracts Manager's fee schedule on file before submitting a purchase order for approval.
- How CID staff monitor the progress of Task Orders. Procedures were not incorporated because the monitoring of Task Orders occurs after the steps outlined in the *Procedures for the Selection of Professional Services*. Guidance on how CID staff monitor the progress of Task Orders is provided in the following sections of the 2017 *Project Delivery Manual*:
 - Chapter 4 – Project Monitoring and Control
 - Chapter 6 – Using Consultants: 6.8 – Managing Consultant Performance

Status

Implemented

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Original Finding 2 (Report dated February 27, 2025)

On-Call Consultant Review

Five (5) *On-Call Agreements for Professional Services* awarded to 18 Consultants were selected for review with the following results:

- Eighteen (18) out of eighteen (18) On-Call Consultant (100%) files did not contain evidence that a debarment check was conducted.
- Twelve (12) out of eighteen (18) On-Call Consultant (66.67%) files did not contain evidence of verification of indebtedness to the City.
- Three (3) out of eighteen (18) On-Call Consultants (16.67%) did not submit all required certificates of insurance. The On-Call Consultants were:

#	On-Call Consultant	Professional Service	Insurance Policy Missing
1	Countryman & Co	Architecture	Auto & Worker's Compensation
2	MNK Architects	Architecture	Auto & Worker's Compensation
3	CARDINA Engineering	Mechanical & Electrical	Auto Insurance

Standard/Criteria

City of El Paso Strategic Plan:

- *Goal 6.12 Maintain systems integrity, compliance and business continuity.*

City of El Paso Procurement Sourcing Policy dated May 9, 2023,

- *Section 13.1 Vendor Indebtedness to the City:
For all formal bids, in accordance with Ordinance No. 016529, it is the policy of the City to refuse to do business with a contracting entity, or any owner of 5% or more of such entity, who is indebted to the City... In the context the Indebtedness Ordinance, debt shall mean any delinquent sum of money in an amount greater than one hundred dollars (\$100.00)...*

This Ordinance is applicable to all purchases and contracts, formal bids, proposals or otherwise, that require City Council approval. Contracts that are awarded without the submission of a proposal, including but not limited to, contract for engineering and architectural services, shall be subject to this Policy and shall not be approved by Council until a determination as to any indebtedness of the contracting entity or any owner to the City has been made as provided for in this Policy.

- *Section 13.2 Debarment Check:
It shall be the policy of the City of El Paso to check if a vendor has been debarred prior to entering into a contract.*

On-Call Agreement for Professional Services,

- *Section 5.1 INSURANCE. Consultant shall not commence work under this Agreement until the Consultant has obtained the required insurance and such insurance has been approved by the Owner... Failure to maintain said insurance shall be considered a material breach of this Agreement.*
 - *5.1.1 WORKERS' COMPENSATION INSURANCE. The Consultant shall procure and shall maintain during the life of this Agreement, Worker's Compensation Insurance...*
 - *5.1.2 COMMERCIAL LIABILITY, PROPERTY DAMAGE LIABILITY AND AUTOMOBILE LIABILITY INSURANCE. The Consultant shall procure and shall maintain during the life of this Agreement... The minimum limits of liability and coverages shall be as follows...*

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Original Recommendation

The Capital Improvement Department should ensure that:

- Debarment checks,
- City indebtedness verifications, and
- Insurance Policy confirmations

are conducted and documented for all On-Call Agreement Consultants in accordance with the *Procurement Sourcing Policy* and the *On-Call Agreements for Professional Services*.

Management's Response to Original Finding

Checks were not consistently saved in the appropriate files. To strengthen the procedure, staff will reference sam.gov and seamless docs form and guideline to properly save documentation.

Responsible Party

Elsa Rodriguez

Implementation Date

Indebtedness form was recreated in seamless docs and in use, also, the new file structure to include the sam.gov registration and indebtedness verification is in effect.

Current Observation

Two (2) On-Call Agreements awarded after August 1, 2025 to a total of seven (7) Consultants were selected for review with the following results:

- Seven (7) out of seven (7) On-Call Consultants (100%) had debarment checks and indebtedness verifications on file.
- Six (6) out of seven (7) On-Call Consultants (85.71%) submitted all required certificates of insurance.
 - One (1) On-Call Consultant's (14.29%) Certificate of Liability Insurance did not name the City of El Paso as an "Additional Insured." The City of El Paso is listed as a Certificate Holder but not as an additional insured in the description section.

Status

In Progress – As part of obtaining the required Certificates of Insurance from On-Call Consultants, the Capital Improvement Department should ensure that the Certificates of Liability Insurance list the City of El Paso as an “Additional Insured.” No additional follow-up audits are deemed necessary given the limited exceptions noted.

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Original Finding 3 (Report dated February 27, 2025)

Payment of On-Call Professional Services

Nine (9) invoices paid by the Capital Improvement Department (CID) from February 29, 2024 to June 25, 2024 for On-Call Professional Services were selected for review. Our review identified the following non-compliance issue with the *City of El Paso Accounts Payable Policy*:

- Four (4) out of nine (9) invoices (44.45%) were not paid within 30 calendar days of receiving the invoice. Payments were posted 32 to 56 days from the date of the invoice.

#	On-Call Consultant	Invoice #	Invoice Amount	Date Invoice Received	Payment Date	# of Calendar Days Payment was made after date Invoice Received
1	In*Situ Architecture	24017	\$48,537.00	5/1/2024	6/25/2024	55
2	Countryman & Co	2024-06.01	\$38,156.00	5/6/2024	6/25/2024	50
3	AECOM Technical Services	2000881589	\$11,556.00	4/25/2024	6/6/2024	42
4	GRV Integrated Engineering Solutions	24-070	\$12,800.00	5/3/2024	6/4/2024	32

Standard/Criteria

City of El Paso Strategic Plan:

- *Goal 6.6 Ensure continued financial stability and accountability through sound financial management, budgeting and reporting.*
- *Goal 6.12 Maintain systems integrity, compliance and business continuity.*

City of El Paso Accounts Payable Policy dated August 2022:

- *Section 2.0 Purpose: ...the City complies with the State of Texas Prompt Payment Act Texas Government Code, Title 10, Subtitle F, Chapter 2251.*

State of Texas Government Code, Title 10, Subtitle F, Subchapter B., Chapter 2251.021 – Time for Payment by Government Entity:

- *A payment by a government entity under a contract executed on or after September 1, 1987, is overdue on the 31st day after the later of the date the government entity receives an invoice for the goods or services.*

Original Recommendation

The Capital Improvement Department should ensure that invoices are paid within 30 days of receiving the invoice.

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Management’s Response to Original Finding

Within our process we ask all vendors to submit invoices to Payapplication@elpasotexas.gov. Staff has been assigned to critically evaluate the Application Status Log. This change of assignment to the CIPS has resulted in invoices paid within 30 days of receipt.

Responsible Party

Marisol Carranza

Implementation Date

November 2024

Current Observation

For the month of January 2026, CID processed 25 invoices in the amount of \$1,000 or above. A sample of seven (7) invoices were selected for review (28% sample). Four (4) invoices were for projects financed and managed by CID, and the remaining three (3) were financed and managed by other City departments. Our review identified the following:

- Three (3) out of seven (7) invoices (42.86%) were not paid within 30 calendar days of receipt. Payments were posted 32 to 48 days from the date the invoice was received.
 - Two invoices directly related to CID projects were paid 32 to 37 days after the invoice was received.
 - One invoice related to a project overseen by the International Bridges Department was paid 48 days after the invoice was received.

#	On-Call Consultant	Invoice #	Invoice Amount	Date Invoice Received	Payment Date	# of Calendar Days Payment was made after date Invoice Received
1	In*Situ	25130	\$5,947.86	11/25/2025	1/12/2026	48
2	Able City	4287	\$2,450.67	12/1/2025	1/7/2026	37
3	In*Situ	25141	\$2,865.98	12/1/2025	1/2/2026	32

Status

In Progress – The Capital Improvement Department should ensure invoices are paid within 30 days of receipt. A second follow-up audit is not deemed necessary at this time due to the organization’s recently implemented monitoring process. The Office of the Comptroller now provides Executive Management with monthly Accounts Payable and Accounts Receivable aging reports. Department leadership is responsible for actively monitoring compliance, addressing any deficiencies, and taking corrective action as needed.

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Original Finding 4 (Report dated February 27, 2025)

Invoicing & Payment of On-Call Professional Services

Nine (9) invoices paid by the Capital Improvement Department (CID) from February 29, 2024 to June 25, 2024 for On-Call Professional Services were selected for review. Our review identified the following non-compliance issues with the *On-Call Agreements for Professional Services*:

- Three (3) out of nine (9) invoices (33.34%) did not have documentation to confirm that tasks were completed by established deadlines.
 - Carl Daniel Architects Invoice #8928 for \$20,774.00
 - WSP USA Invoice #S59605506 for \$14,940.00
 - AECOM Technical Services Invoice #20008815890 for \$11,556.00
- Two (2) out of nine (9) invoices (22.23%) could not be matched to the *Consultant's Fee Proposal & Hourly Rates*.
 - In*Situ Invoice #24017 for \$48,537.00
 - WSP USA Invoice #S59605506 for \$14,940.00
- One (1) out of nine (9) invoices (11.12%) did not contain the total project budget, amount billed to date, and percentage of completion.
 - WSP USA Invoice #S59605506 for \$14,940.00

Standard/Criteria

City of El Paso Strategic Plan:

- *Goal 6.6 Ensure continued financial stability and accountability through sound financial management, budgeting and reporting.*
- *Goal 6.12 Maintain systems integrity, compliance and business continuity.*

Each On-Call Agreement for Professional Services is unique with different terms and criteria for professional services. Each On-Call Agreement contains the following:

- *Attachment "B" Consultant's Fee Proposal and Hourly Rates.*
- *Section 2.1 The Owner hereby agrees to retain the Consultant and the Consultant agrees to perform on-call professional services on a Task Order basis...*
- *Section 3.1 The parties agree and understand that all fees and compensation to the Consultant shall only become due and payable in accordance with the terms of this Agreement and fees to be charged for each Project shall be pursuant to the Consultant's fee proposal for such Basic and Additional Services at the rates which is attached hereto as Attachment "B".*
- *Section 3.3.1 Each invoice shall contain a brief summary indicating, at a minimum, the total Project budget, the total amount authorized for the Consultant, the current invoiced amount and the amount billed by date. In addition to the Summary, each invoice shall provide a Progress Report. The Progress Report shall describe, at a minimum, the progress of the Project to date also indicating the percentage of completion of each phase.*
- *Section 3.3.2 The Owner agrees to pay invoices for all services performed as soon as reasonably possible, but no later than thirty (30) days from receipt....The total amount paid to Consultant shall not exceed Consultant's fee proposal, except by written amendment to this Agreement...*
- *Section 4.1 Period of Service... The services called for by each Task Order shall begin upon the issuance of a Notice to Proceed from the City Engineer and shall continue through the completion of the construction of the Project, including any required extensions beyond the contract time...*

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Original Recommendation

The Capital Improvement Department should ensure that:

- There is documentation to support that tasks were completed by established deadlines.
- Invoices match the *Consultant's Fee Proposal & Hourly Rates* or notate the cause of variance.
- Invoices include the details required by the terms in their *On-Call Services Agreement*.

Management's Response to Original Finding

- *Section 3.1 The parties agree and understand that all fees and compensation to the Consultant shall only become due and payable in accordance with the terms of this Agreement and fees to be charged for each Project shall be pursuant to the Consultant's fee proposal for such Basic and Additional Services at the rates which is attached hereto as Attachment "B".*
- *Section 3.3.1 Each invoice shall contain a brief summary indicating, at a minimum, the total Project budget, the total amount authorized for the Consultant, the current invoiced amount and the amount billed by date. In addition to the Summary, each invoice shall provide a Progress Report. The Progress Report shall describe, at a minimum, the progress of the Project to date also indicating the percentage of completion of each phase.*

Procedures identified to address the required documentation. Training will be provided to remind staff of policy that is in place.

Responsible Party

Division Manager

Implementation Date

Host training prior to August 1, 2025

Current Observation

A review of seven (7) invoices paid by the Capital Improvement Department (CID) for the month of January 2026 identified the following:

- Seven (7) out of seven (7) invoices (100%) had documentation to confirm that tasks were completed by established deadlines.
- Six (6) out of seven (7) invoices (85.71%) matched to their corresponding *Consultant's Fee Proposal & Hourly Rates*.
 - One (1) invoice billed a higher rate for "Project Architect – CA" than the rate listed in the Agreement's *Consultant's Fee Proposal & Hourly Rates* (In*Situ Invoice #25141 for \$2,865.98).
- Six (6) out of seven (7) invoices (85.71%) contained the total project budget, amount billed to date, and percentage of completion as required by Section 3.3.1 of their *On-Call Services Agreement*.
 - One (1) invoice did not contain the total project budget and amount billed to date (Cardina Consulting, LLCSP USA Invoice #25-006.02 for \$14,692.48).

A training session was held on January 29, 2026, with CID Project Managers (PMs) to review the fee proposal structure and a new standardized form required of On-Call Consultants. PMs were reminded to:

- Compare each proposal to the *On-Call Services Agreements* before approval.
- Verify each invoice against the proposal that was originally validated against the Agreement.

Status

In Progress – No additional follow-up audits are deemed necessary given the limited exceptions noted.

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INHERENT LIMITATIONS

Because of the inherent limitations of internal controls, errors or irregularities may occur and not be detected. Also, projections of any evaluation of the internal control structure to future periods beyond the Audit Report date are subject to the risk that procedures may become inadequate due to changes in conditions, management override of internal controls, or that the degree of compliance with the procedures may deteriorate. This was a limited scope audit which only reviewed the areas stated in the Audit Objectives during the Audit Scope period. No representations of assurance are made to other areas or periods not covered by this audit.

CONCLUSION

We have concluded our audit work on the objectives of the On-Call Services Agreement Follow-Up Audit. The audit evidence used in the analysis is sufficient and appropriate for addressing the objectives and supporting the observations and conclusion. In accordance with *Generally Accepted Government Auditing Standards*, we are required to conclude on whether the Capital Improvement Department met the objectives of this Follow-Up Audit. Based on our audit work, we have determined that:

1. The Capital Improvement Department met the audit objectives in the following areas:
 - Updating internal procedures “for the selection of Professional Services” to reflect current practices in place.
 - Ensuring debarment checks and indebtedness verifications are conducted and documented for all On-Call Consultants.
 - Ensuring insurance confirmations are conducted and documented for all On-Call Consultants.
 - Ensuring that there is documentation to support that tasks were completed by established deadlines.
2. The Capital Improvement Department did not meet the audit objectives in the following areas:
 - Ensuring On-Call Consultant’s Certificates of Liability Insurance list the City of El Paso as an “Additional Insured”.
 - Ensuring that invoices are paid within 30 days of receiving the invoice.
 - Ensuring that invoices:
 - Match the *Consultant’s Fee Proposal & Hourly Rates* or notate the cause of variance.
 - Include the details required by the terms in their *On-Call Services Agreement*.

We wish to thank the Capital Improvement Department management and staff for their assistance and courtesies extended during the completion of this Follow-Up Audit.

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Deputy Chief Internal Auditor

Sergio Carrillo, Jr., CIA, CGAP, MBA
Auditor III

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