



**Environmental Services –
P-Card and Travel Audit
No. A2026-07**

Draft

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City of El Paso
Internal Audit Department
Environmental Services – P-Card and Travel Audit A2026-07

EXECUTIVE SUMMARY

The Internal Audit Department has concluded the Environmental Services – P-Card and Travel Audit. The audit was approved in the Fiscal Year 2025-2026 Annual Audit Plan. The scope for this audit was Fiscal Year 2025. The audit objectives were to:

1. Review Procurement Card (P-Card) purchases and Travel conducted by the Environmental Services Department during the period of September 1, 2024 to August 31, 2025.
2. Review and verify that:
 - P-Card transactions and Travel Requests were appropriately reviewed, properly approved, and had required supporting documentation,
 - P-Cards were closed after employees separated from the City of El Paso or transferred to another City department.

Based on the results of the audit, we can provide reasonable assurance that:

- The Environmental Services Department (ESD) has established and maintained processes to ensure that all P-Card transactions and Travel Requests are properly reviewed and approved in accordance with City of El Paso Policies.
- P-Cards are promptly closed upon an employee's separation from ESD or from the City of El Paso.

For more detail on the areas under review, please refer to the body of the Audit Report.

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BACKGROUND

The City of El Paso's Procurement Card (P-Card) Program is a credit card-based program used to facilitate the requisitioning, purchasing, and payment of generally small dollar purchases. The program is designed to reduce the administrative process, time related to purchase orders, vouchers, and check processing to expedite payment. As of October 27, 2025, the City had 444 active P-Cards and the Environmental Services Department (ESD) had 21 active P-Cards. During the audit scope of September 1, 2024 to August 31, 2025, ESD conducted 544 P-Card transactions totaling \$166,218.49.

The P-Card Program incorporates controls and reporting features that help ensure the P-Card is used for official purchases and within spending limits. Transaction limitations are as follows:

- Single transaction amount limits and total monthly limits on a per employee basis,
- Restrictions for type of purchase,
- Restrictions on merchants.

The City of El Paso utilizes WellOne® Expense Manager (WOEM), which streamlines the expense approval process through its receipt-linking functionality. P-Card holders have the ultimate responsibility for ensuring all charges are reconciled, and receipts/approvals for purchases are uploaded in WOEM. Each P-Card holder is designated a WOEM Manager authorized to approve monthly transactions. The Program is administered and monitored by the P-Card Administrator in the Office of the Comptroller. Each department has both a P-Card Approver and Reconciler. The department's P-Card Approver is responsible for the initial set-up of all authorized users within the department. The approver must have budgetary authority to maintain spending limits and be at a supervisory level above the P-Card user to enforce proper purchases to the extent possible. The department's P-Card Reconciler verifies transactions, reconciles receipts to purchases and signs off on the payments for the P-Card. In some cases, the P-Card Reconciler can be the P-Card user.

Each department is responsible to plan, arrange and approve requested travel for employees so as to achieve maximum economy and efficiency. Travel should not be granted if the purpose of the trip could be handled by mail, telephone, available local training or other viable options. The City of El Paso utilizes the Travel Request Form to document approval. All Travel Request Forms shall be approved in advance and upon completion of the travel. A department head or budget authority shall approve all Travel Requests. This audit will be to ascertain the municipal purpose of travel.

AUDIT OBJECTIVES

The objectives of the Environmental Services P-card and Travel Audit were to:

- Obtain an understanding of the City of El Paso's ESD's P-Card Program and Travel Request approval process.
- Determine if the current ESD P-Card primary approvers and reconcilers are properly reviewing and monitoring the expenditures related to purchases through P-Cards.
- Determine if Travel Requests are properly approved and reconciled.
- Determine if P-Card transactions are for proper expenditures to include travel. (Travel paid by using the P-Card or a voucher).
- Verify that original receipts properly support P-Card transactions and travel expenditures.
- Identify if Sales Tax was paid using the P-Card.
- Determine if spending limits on P-Card transaction have been followed.

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AUDIT SCOPE AND METHODOLOGY

The scope for this audit was from September 1, 2024 to August 31, 2025. To achieve our audit objectives, we:

- Reviewed City of El Paso Policies and Procedures.
- Obtained an understanding of the City of El Paso’s P-Card and Travel processes.
- Conducted interviews with Environmental Services management and staff.
- Downloaded the listing of P-Card transactions made by the Environmental Services Department during the review period. The listing included 544 transactions totaling \$166,218.49.
- Selected a statistical sample of 30 P-Card transactions totaling \$8,995.69 to review if:
 - Purchases were not personal in nature,
 - Itemized receipts were submitted,
 - Purchases were properly reviewed and approved,
 - Purchases incurred Texas State Sales Tax,
 - P-Card spending limits were followed.
- Reviewed 11 Travel Requests totaling \$14,796.32 arising from the sample of P-Card transactions to verify if:
 - Travel Requests were submitted for approval at least 10 days prior to travel,
 - Travel Requests were reconciled and submitted for approval 10 days or fewer after travel.
 - All supporting documentation was provided,
 - The correct Travel Request form was used,
 - Employee owed the City of El Paso travel advance money and if so, it was paid back.
- Reviewed five (5) P-Cards closed by ESD during Fiscal Year to verify that:
 - P-Cards were immediately cancelled for employees no longer employed by the City of El Paso,
 - PCM-1 forms to close P-Card accounts were submitted before or immediately after an employee’s separation,
 - No transactions were conducted after the last day of employment/separation.

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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***FINDING, CRITERIA, RECOMMENDATION,
AND MANAGEMENT’S RESPONSE***

Finding 1 (Positive Finding)

Environmental Services Department Processes

Based on the results of our review of Environmental Services’ P-Card transactions and Travel Requests during Fiscal Year 2025, we identified that the Environmental Service Department:

1. Has established processes to properly review and approve P-Card purchases and submit proper receipts as backup.
2. Properly completes Travel Requests before travel occurs and properly reconciles Travel Requests after travel.
3. Ensures that P-Cards are cancelled and no transactions occur with an employee’s P-Card after their separation from the City of El Paso or transfer to another City department.

We can provide reasonable assurance that the Environmental Services Department has processes in place to ensure that P-Card purchases and Travel Requests are properly reviewed and approved in accordance with City of El Paso Policies and Procedures.

Standard/Criteria

City of El Paso’s Strategic Plan:

- *Goal 6.3 Implement programs to reduce organizational risk.*
- *Goal 6.6 Ensure continued financial stability and accountability through sound financial management, budgeting, and reporting.*

City of El Paso Procurement Card Policies dated October 10, 2024 and February 19, 2025.

City of El Paso Travel Policies dated November 1, 2023 and October 10, 2024.

Recommendation

The Environmental Services Department should continue to ensure that all aspects of their P-Card and Travel processes function in accordance with City of El Paso Policies and Procedures.

Management’s Response

None Required.

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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 work on the objectives of the Environmental Services – P-Card and Travel Audit. The audit evidence used in our analysis is sufficient and appropriate for addressing the objectives and supporting the findings and conclusion. In accordance with Generally Accepted Government Auditing Standards, we are required to conclude on whether the Environmental Services Department met the objectives of this audit. Based on our audit work, we have determined that:

The Environmental Services Department met the audit objectives in the following areas:

- Has established processes to properly review and approve P-Card purchases and submit proper receipts as backup.
- Properly completes Travel Requests before travel occurs and properly reconciles Travel Requests after travel.
- Ensures that P-Cards are cancelled and no transactions occur with an employee's P-Card after their separation from the City of El Paso or transfer to another City department.

We wish to thank the Environmental Services Department management and staff for their assistance and courtesies extended during the completion of this audit.

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