



AGENDA FOR THE FINANCIAL OVERSIGHT AND AUDIT COMMITTEE

July 28, 2025

COUNCIL CHAMBERS, CITY HALL, 300 N. CAMPBELL - FIRST FLOOR

1:00 PM

Notice is hereby given that a meeting of the Financial Oversight and Audit Committee (FOAC) will be conducted on the above date and time.

Members of the public may view the meeting via the following means:

Via the City's website. <http://www.elpasotexas.gov/videos>

Via television on City15,

YouTube: <https://www.youtube.com/user/cityofelpasotx/videos>

In compliance with the requirement that the City provide two-way communication for members of the public, members of the public may communicate with the Financial Oversight and Audit Committee during public comment, and regarding agenda items by calling the following number:

1-915-213-4096 or Toll Free Number: 1-833-664-9267

At the prompt please enter the corresponding Conference ID: 857-332-740#

If you wish to sign up to speak please contact Miguel Montiel at MontielMA@elpasotexas.gov no later than two (2) hours prior to the meeting date and time. Please provide your name, phone number, email address and the agenda item(s) you wish to speak on.

A quorum of the Financial Oversight and Audit Committee must be present and participate in the meeting.

ROLL CALL

PLEDGE OF ALLEGIANCE

AGENDA

1. Approval of Minutes for the Financial Oversight and Audit Committee meeting of June 17, 2025. [Internal Audit, Edmundo Calderon, (915) 212-1365] [BC-808](#)
2. City of El Paso Employees Retirement Trust Annual Update. [City of El Paso Employees Retirement Trust, Robert Ash, (915) 212-0112] [BC-824](#)
3. Discussion on El Paso Firemen and Policemen's Pension Fund Portfolio Returns and Funding Status. [El Paso Firemen and Policemen's Pension Fund, Tyler Grossman, (915) 771-8111] [BC-825](#)
4. Presentation on the preparation of the 2025-2026 Annual Audit Plan. [Internal Audit, Edmundo Calderon, (915) 212-1365] [BC-856](#)
5. Discussion and Action on the results of Round 9 of the Hotel Occupancy Tax Audit. [Internal Audit, Edmundo Calderon, (915) 212-1365] [BC-807](#)
6. Discussion and Action on the results of the Parks and Recreation Department - Park Usage Permit Audit A2025-01. [Internal Audit, Edmundo Calderon, (915) 212-1365] [BC-806](#)
7. Discussion and Action to retain an external auditing firm to undertake audits, included and added to fiscal year Audit Plans, which cannot be conducted by the Internal Audit Department staff. [FOAC Chair, Dr. Josh Acevedo, (915) 212-0002] [BC-869](#)
8. Discussion on FY 2024-2025 Audit Plan 3rd Quarter Updates. [Internal Audit, Miguel Montiel, (915) 212-1367] [BC-705](#)

ADJOURN

CLOSED MEETING

The Financial Oversight and Audit Committee of the City of El Paso may retire into CLOSED MEETING pursuant to Section 3.5A of the El Paso City Charter and the Texas Government Code, Chapter 551, Subchapter D, to discuss any of the following: (The items listed below are matters of the sort routinely discussed in Closed Meeting, but the Financial Oversight and Audit Committee of the City of El Paso may move to Closed Meeting any of the items on this agenda, consistent with the terms of the Open Meetings Act.) The Financial Oversight and Audit Committee will return to open session to take any final action and may also, at any time during the meeting, bring forward any of the following items for public discussion, as appropriate.

Section 551.071 CONSULTATION WITH ATTORNEY
Section 551.072 DELIBERATION REGARDING REAL PROPERTY
Section 551.073 DELIBERATION REGARDING PROSPECTIVE GIFTS
Section 551.074 PERSONNEL MATTERS
Section 551.076 DELIBERATION REGARDING SECURITY DEVICES OR SECURITY AUDITS
Section 551.087 DELIBERATION REGARDING ECONOMIC DEVELOPMENT NEGOTIATIONS
Section 551.089 DELIBERATION REGARDING SECURITY DEVICES OR SECURITY AUDITS;
CLOSED MEETING

NOTICE TO THE PUBLIC

This is a meeting of the Financial Oversight and Audit Committee of the El Paso City Council. The committee ordinarily consists of 4 Council members for purposes of establishing a quorum and the voting membership on the committee. However, any other member of the City Council may, on an ad hoc basis, join the meeting and participate in the discussions.

Sign language interpreters will be provided for this meeting upon request. Requests must be made to Miguel Montiel at MontielMA@elpasotexas.gov a minimum of 48 hours prior to the date and time of this hearing.

If you need Spanish Translation Services, please email MontielMA@elpasotexas.gov at least 48 hours in advance of the meeting.

Posted this 24th day of July, 2025 at 2:51 p.m., at City Hall, 300 N. Campbell Street by Sergio Carrillo.



El Paso, TX

300 N. Campbell
El Paso, TX

Legislation Text

File #: BC-808, Version: 1

**CITY OF EL PASO, TEXAS
LEGISTAR AGENDA ITEM SUMMARY FORM**

AGENDA LANGUAGE:

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Approval of Minutes for the Financial Oversight and Audit Committee meeting of June 17, 2025. [Internal Audit, Edmundo Calderon, (915) 212-1365]



FINANCIAL OVERSIGHT AND AUDIT COMMITTEE MINUTES

June 17, 2025

COUNCIL CHAMBERS, CITY HALL

10:00 AM

.....
The Financial and Oversight and Audit Committee members of the City of El Paso met at the above place and date. Meeting was called to order at 10:02 a.m. Committee Chair Dr. Josh Acevedo was present and presiding and the following Committee Members answered roll call: Dr. Josh Acevedo, Alejandra Chávez, Deanna Maldonado-Rocha, Ivan Niño, Edmundo Calderón – Chief Internal Auditor, and Mario D’Agostino – Deputy City Manager for Dionne Mack – City Manager.

..... PLEDGE OF ALLEGIANCE

..... AGENDA

-
1. Motion made by Committee member Chávez, seconded by Committee member Maldonado-Rocha, and unanimously carried to **APPROVE** the Minutes for the Financial Oversight and Audit Committee meeting of June 5, 2025.

AYES: Committee Members Acevedo, Chávez, Maldonado-Rocha, and Niño

NAYS: None

-
2. **Presentation and discussion by Weaver and Tidwell, LLP on City of El Paso’s Internal Audit Current State, Maturity, and Needs Assessment.**

Mr. Brandon Tanous – Partner, Weaver and Tidwell, LLP and Ms. Holly Hart – Senior Manager, Weaver and Tidwell, LLP, delivered a PowerPoint presentation.

The following members of the FOAC commented:

- Dr. Josh Acevedo, Committee Chair.
- Ms. Alejandra Chávez, Committee Member.
- Ms. Deanna Maldonado-Rocha.
- Mr. Ivan Niño, Committee Member.
- Mr. Edmundo Calderón, Chief Internal Auditor.
- Mr. Mario D’Agostino, Deputy City Manager.

The following City staff member commented:

- Mr. Sergio Estrada, Deputy City Attorney.

The following member of the public commented:

- Ms. Lisa Turner

Committee Chair Acevedo stated that the Weaver presentation scheduled for Monday, June 23, 2025 will be another feedback session with a final presentation tentatively scheduled for July 7 or 8, 2025.

NO ACTION was taken on this item.

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ADJOURN

Motion made by Committee Member Niño seconded by Committee Member Maldonado-Rocha and unanimously carried to **ADJOURN** the meeting at 12:56 p.m.

AYES: Committee Members Acevedo, Chávez, Maldonado-Rocha, and Niño
NAYS: None

.....
APPROVED AS TO CONTENT:

Dr. Josh Acevedo – Committee Chair,
Financial Oversight and Audit Committee

Edmundo S. Calderón – Chief Internal Auditor,
Internal Audit Department



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Legislation Text

File #: BC-824, Version: 1

**CITY OF EL PASO, TEXAS
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City of El Paso Employees Retirement Trust Annual Update. [City of El Paso Employees Retirement Trust, Robert Ash, (915) 212-0112]

Retirement Trust

2024-2025 Annual Update





Agenda

- I. Overview
- II. Recent Investment Portfolio Returns
- III. Financial Audit Highlights for FYE August 31, 2024
- IV. Actuarial Valuation Highlights for 2-year period ended September 1, 2024
- V. Cost of Living Adjustment (COLA) for Retirees
- VI. Conclusion

I. Overview

- The City of El Paso Employees Retirement Trust (“Retirement Trust”) is a defined benefit plan governed by the City Charter and Chapter 2.64 of the Municipal Code.
- Assets Under Management
 - As of August 31, 2021 \$ 1,038,684,146
 - As of August 31, 2022 \$ 908,273,911
 - As of August 31, 2023 \$ 914,311,891
 - As of August 31, 2024 \$ 990,935,503
 - As of June 30, 2025 \$ 1,029,441,388*
- Membership as of August 31, 2024:
 - Participants 4,727
 - Retirees 5,023

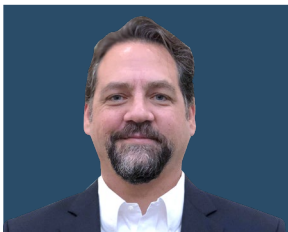
*Unaudited

Board of Trustees

Employee Elected Members



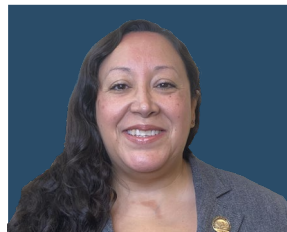
Robert Studer
Chairman



Karl Rimkus
Vice-Chairman



Karina Brasgalla



Isaura Valdez

Citizen Appointees



Matt Kerr



Rene Peña

City Council Appointees



Rep. Chris Canales



Rep. Art Fierro

Retiree Appointee



Deborah Hamlyn

New Appointments

- Rep. Chris Canales appointed as City Representative Appointee in January 2025.

Reappointments

- Rep. Art Fierro was reappointed as City Representative Appointee in January 2024.
- Deborah Hamlyn reappointed as Retiree Appointee in April 2024.

Expiring Terms

- 2 Employee Representative positions are open for election in April 2025.
 - Karl Rimkus
 - Isaura Valdez
- 2 citizen appointments will expire in April 2025.
 - Matt Kerr
 - Rene Peña

Standing Committees



Administrative Services Committee

Karina Brasgalla – Chair

Karl Rimkus

Deborah G. Hamlyn

Executive Committee

Robert Studer – Board Chairman

Karl Rimkus – Board Vice-Chairman

Robert Ash – Executive Director

Adrian Sanchez – Deputy Executive Director

Facilities And Maintenance Committee

Deborah G. Hamlyn – Chair

Karina Brasgalla

Rep. Art Fierro

Financial Oversight Committee

Matt Kerr – Chair

Rene Peña

Isaura Valdez

Investment Committee

Rene Peña – Chair

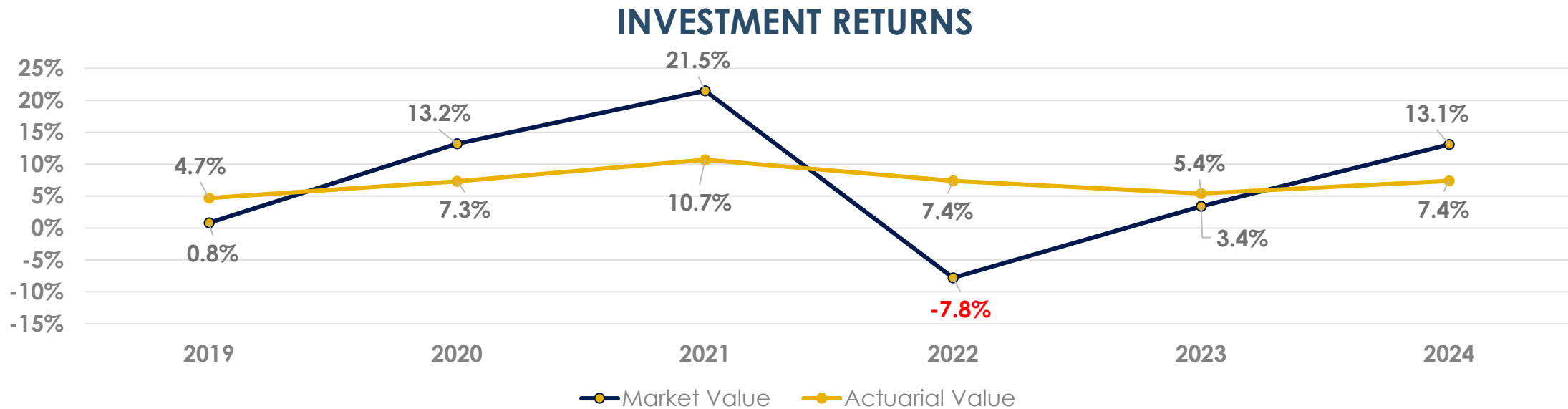
Isaura Valdez

Rep. Chris Canales

Alternate – Robert Studer

II. Recent Investment Portfolio Returns

- The Trust has a standing Investment Committee which meets bi-monthly. Investments are reviewed on a monthly basis by the Board, the Trust's investment consultant, and the City Comptroller. Staff reviews investments on a daily basis.
- Performance



Source: City of El Paso Employees Retirement Trust - Actuarial Valuation (As of September 1, 2024)

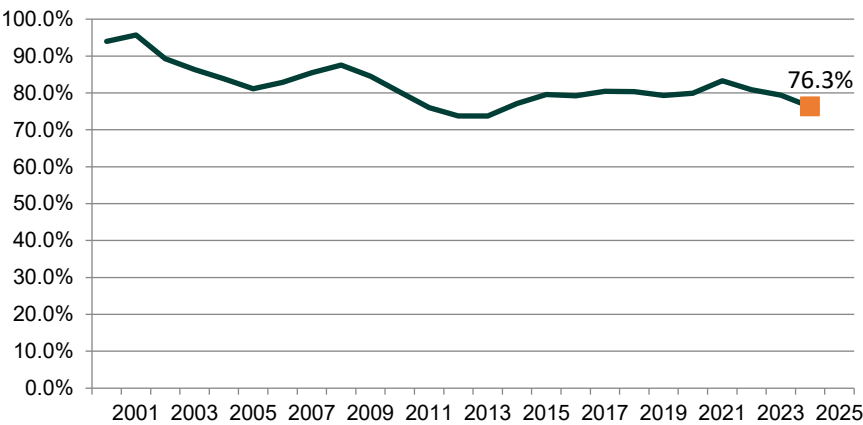
II. Recent Investment Portfolio Returns

Investment Dashboard
as prepared by Callan LLC



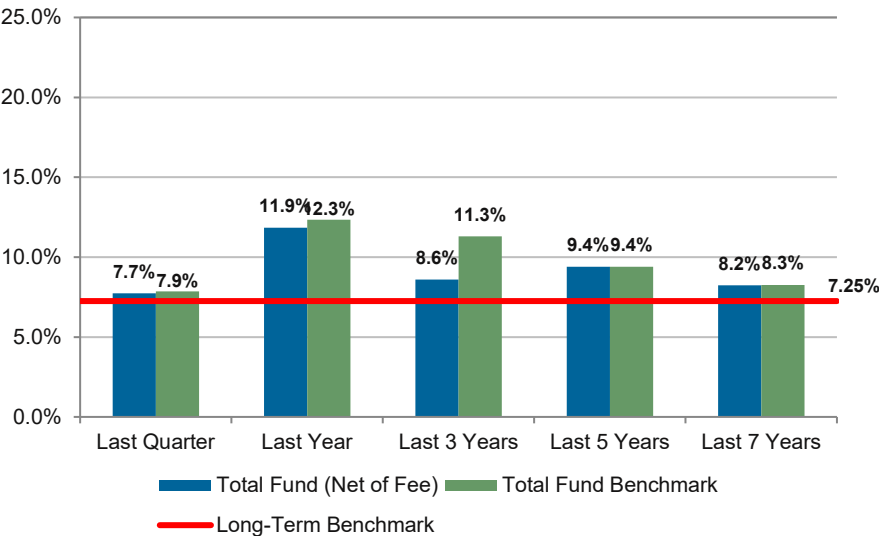
CEPERT Dashboard – June 30, 2025

Funded Ratio: Actuarial Value of Assets



Source: City of El Paso Employees Retirement Trust

Performance Summary



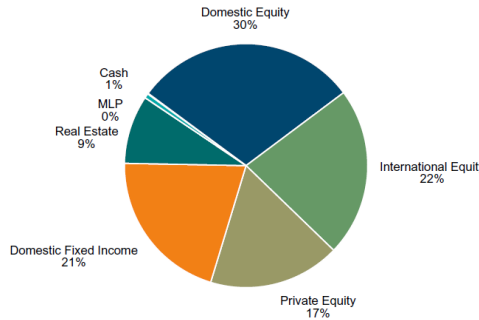
Source: Callan LLC. Returns are net of fee.

Market values will change for the full 2Q report for the PE and RE funds.

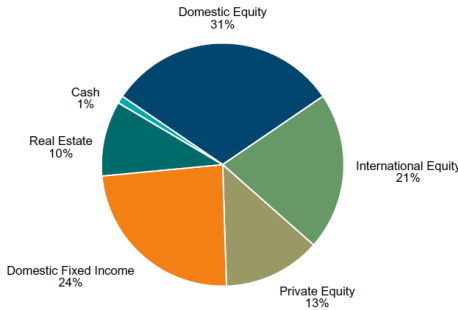
Total Portfolio Market Values (\$Millions)	Quarter Ending 06/30/25	Last 12 Months
Starting Value	\$978.4	\$961.8
Ending Value	\$1045.4	\$1045.4
Total Portfolio Returns (net of fee)	Quarter Ending 06/30/25	Last 12 Months
CEPERT Total Fund	+7.74%	+11.85%
Total Fund Benchmark	+7.85%	+12.34%
Excess Return	-0.11%	-0.49%

Source: Callan LLC. Returns are net of fee.

Actual Asset Allocation



Target Asset Allocation



Asset Class	\$Dollars Actual	Percent Actual	Percent Target	Percent Difference	\$Dollars Difference
Domestic Equity	310,808,813	29.7%	31.0%	(1.3%)	(13,266,649)
International Equity	233,714,801	22.4%	21.0%	1.4%	14,179,820
Private Equity	182,935,901	17.5%	13.0%	4.5%	47,033,294
Domestic Fixed Income	215,655,298	20.6%	24.0%	(3.4%)	(35,241,826)
Real Estate	95,606,831	9.1%	10.0%	(0.9%)	(8,933,641)
MLP	6,966	0.0%	0.0%	0.0%	6,966
Cash	6,676,096	0.6%	1.0%	(0.4%)	(3,777,950)
Total	1,045,404,707	100.0%	100.0%		

Source: Callan LLC



III. Financial Audit Highlights

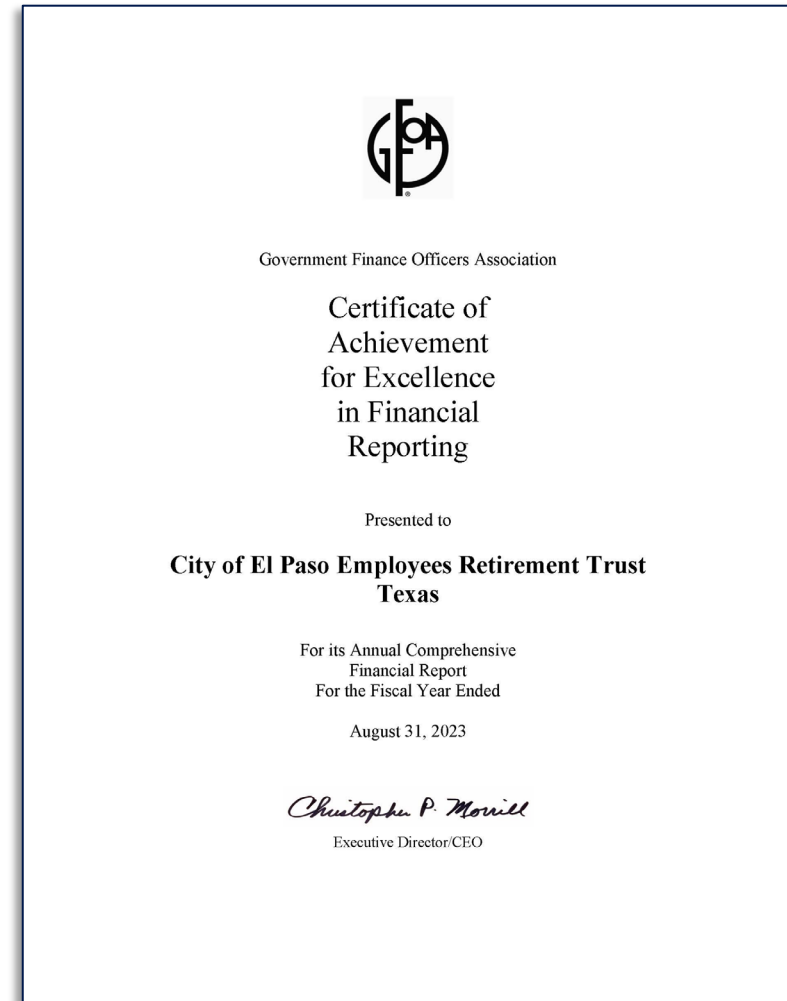
FYE August 31, 2024

- The Trust's independent auditor Carr, Riggs & Ingram ("CRI") issued an unmodified opinion on the Trust's financial statements.
- Net position held in the Trust for pension benefits increased by \$76.6M compared to an increase in FY 2023 of \$6.0M.
 - Increase was primarily due to the performance of the capital markets.
- Benefit payments were \$81.4M in FY 2024, an increase of \$4.2M from FY 2023.
- Asset value increased from approximately \$914M in FY 2023 to \$991M in FY 2024.
- Contributions totaled approximately \$55.9M in FY 2024.
 - \$34.2M by Employer and \$21.7M by Employees.
 - Each month the Trust has a negative cash flow of approximately \$3.7M (excluding investment returns) and has been steadily increasing.
- This report was provided to the City and the State Pension Review Board and is on our website for public viewing, [2024 Annual Comprehensive Financial Report](#).

III. Financial Audit Highlights

FYE August 31, 2024

- The Trust received a GFOA Certificate of Achievement in Financial Reporting for our Fiscal Year 2023 Financial Report.
- This marks the 11th consecutive year the Trust has received this award (2013-2023).





IV. Actuarial Valuation Highlights

September 1, 2024

- The purpose of the valuation, as required by State law, is to determine the current financial position of the Trust, determine funding adequacy based upon the current contribution rate, and analyze changes in the financial condition of the Trust since the last valuation.
- Since the 2022 valuation, the funded ratio decreased on a market value of assets from 77.5% to 75.2%. However, due to asset smoothing, the actuarial value of assets funded ratio decreased from 80.9% to 76.3%.
- Unfunded actuarial accrued liability (“UAAL”) is \$313.5M, an increase of \$61.6M from the end of FY 2023.
 - A portion of this increase is attributable to revised actuarial assumptions approved in 2023 and a result of larger than assumed participant pay increases.
- Years to amortize the UAAL decreased from 17 to 16 years. Benchmark is 30-years although the State Pension Review Board would prefer amortization periods of 25-years or less.



IV. Actuarial Valuation Highlights

September 1, 2024

- Actuarial Accrued Liability increased from \$1.22B to \$1.32B and the actuarial value of assets rose from \$968.0M to \$1.01B from 2023 to 2024.
- The excess of the City Contribution rate over the Actuarially Determined Contribution rate is 1.93%* (closed 25-year layered amortization).
- Capital markets have experienced high degrees of volatility during FY 2025. Investment returns have improved through June and the Trust is currently on track to meet the investment return assumption of 7.25%.

IV. Actuarial Valuation Highlights

September 1, 2024

- Actuarial value of assets are now showing a loss of \$14.7M to be smoothed in over the next four years. This is why the market value of assets is lower than the actuarial value of assets.

Year	Total Gain/(Loss)	Percent Deferred	Deferral Amount
2023-2024	\$ 52,488,367	80%	\$ 41,990,694
2022-2023	\$ (34,794,540)	60%	\$ (20,876,724)
2021-2022	\$ (151,077,400)	40%	\$ (60,430,960)
2020-2021	\$ 122,992,282	20%	\$ 24,598,456
Total			\$ (14,718,534)*

* This is an improvement from the prior year.



IV. Actuarial Valuation Highlights

September 1, 2024

- Membership counts have shown increases in the number of retirees and the number of active contributing participants.
- The amount of pension payroll continues to increase due to higher retirement payments for newly retired participants.
- The Actuarial Valuation was provided to the City and the State Pension Review Board and is on our website for public viewing, [2024 Actuarial Valuation](#).

V. Cost of Living Adjustment (COLA)



- The Trust has issued eleven Cost of Living Adjustments since the plans inception.
 - COLAs have been issued in 1984, 1990, 1993, 1995, 1998, 2002, 2007, 2012, 2014, and 2017.
 - The last COLA was issued in May 2022 in the form of a 13th check of \$1,500, based on the September 1, 2021 Roll-Forward Valuation.
- The Trust's COLA policy was revised to include new guidelines in December 2019.
 - The funded ratio of the Plan, after the benefit increase, must be at least 80%
 - The decrease in the funded ratio due to the benefit increase is not more than 1%
- No COLA was approved as a result of the 2024 Actuarial Valuation.

VII. Conclusion

The Retirement Trust continues to monitor performance of the Fund. The current funded position of the Trust conforms with State guidelines. The funded percentage of 76.3% is reasonable but can be improved with good asset performance. The decrease in the Trust's funded percentage was largely attributable to participant pay increases which far exceeded the assumed payroll growth. The Retirement Trust will continue to keep the City updated regarding our funded position each year. The Retirement Trust appreciates the City's continued partnership and support.



Questions?



Robert B. Ash



915 212 1789



ashrx@elpasotexas.gov



www.eppension.org



El Paso, TX

300 N. Campbell
El Paso, TX

Legislation Text

File #: BC-825, Version: 1

**CITY OF EL PASO, TEXAS
LEGISTAR AGENDA ITEM SUMMARY FORM**

AGENDA LANGUAGE:

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Discussion on El Paso Firemen and Policemen's Pension Fund Portfolio Returns and Funding Status. [El Paso Firemen and Policemen's Pension Fund, Tyler Grossman, (915) 771-8111]

This text box is to remind you about the ASL translator service. Do NOT add any info in this space.

REMOVE THIS BOX ONCE THE PRESENTATION IS FINALIZED.



CITY OF EL PASO

El Paso Firemen & Policemen's Pension Fund

General Background/Key Facts & Figures

What state law governs EPFPPF?

This text box is to remind you about the ASL translator service. Do NOT add any info in this space.

REMOVE THIS BOX ONCE THE PRESENTATION IS FINALIZED.

- Created in 1920
- Codified in state law 1933
- Governing Statute Article 6243b
- Also subject to Section 802, Government Code

What are the sources of funding for EPFPPF?

This text box is to remind you about the ASL translator service. Do NOT add any info in this space.

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- City Contributions
- Member Contributions
- Investment Earnings

What is the make-up of EPFPPF Board of Trustees?

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REMOVE THIS BOX ONCE THE PRESENTATION IS FINALIZED.

- 11 members Board
- 3 Active Fire Fighters
- 3 Active Police Officers
- 3 Mayor Appointees
- 2 City Manager Appointees

**SIDEWALK
CLOSED**

Can state funds be used to support EPFPPF?

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REMOVE THIS BOX ONCE THE PRESENTATION IS FINALIZED.

- Fund support solely by investment earnings and contributions
- No state or federal funds may be used to support EPFPPF
- No one is coming to our rescue



What is the value of EPFPPF?

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- \$515 million in 2005
- \$2.1 billion in 2025
- Investment success has been the biggest contributor
- 8.54% return since inception

 ENVIRONMENTAL
SERVICES
CITY OF EL PASO

What is the Assumed Rate of Return?

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- ARR is what the Fund believes they can make over the long-term
- Since 2002 the ARR has been 7.75%
- June 2025 the ARR was lowered to 7.5%



What is the Funds Amortization Period?

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REMOVE THIS BOX ONCE THE PRESENTATION IS FINALIZED.

- As of 2024 Valuation 16 years respectively
- Under current state law must be under 30 years
- The Fund expects the AP to raise to 23 years on the 2026 Valuation



What is the Fund's unfunded liability?

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- Currently this debt is \$412 million
- 2026 Valuation the debt should rise
- Why?
- The lowering of the assumed rate of return to 7.5%
- The addition of COLA for Tier 2

How does El Paso Contribution Rates compare?

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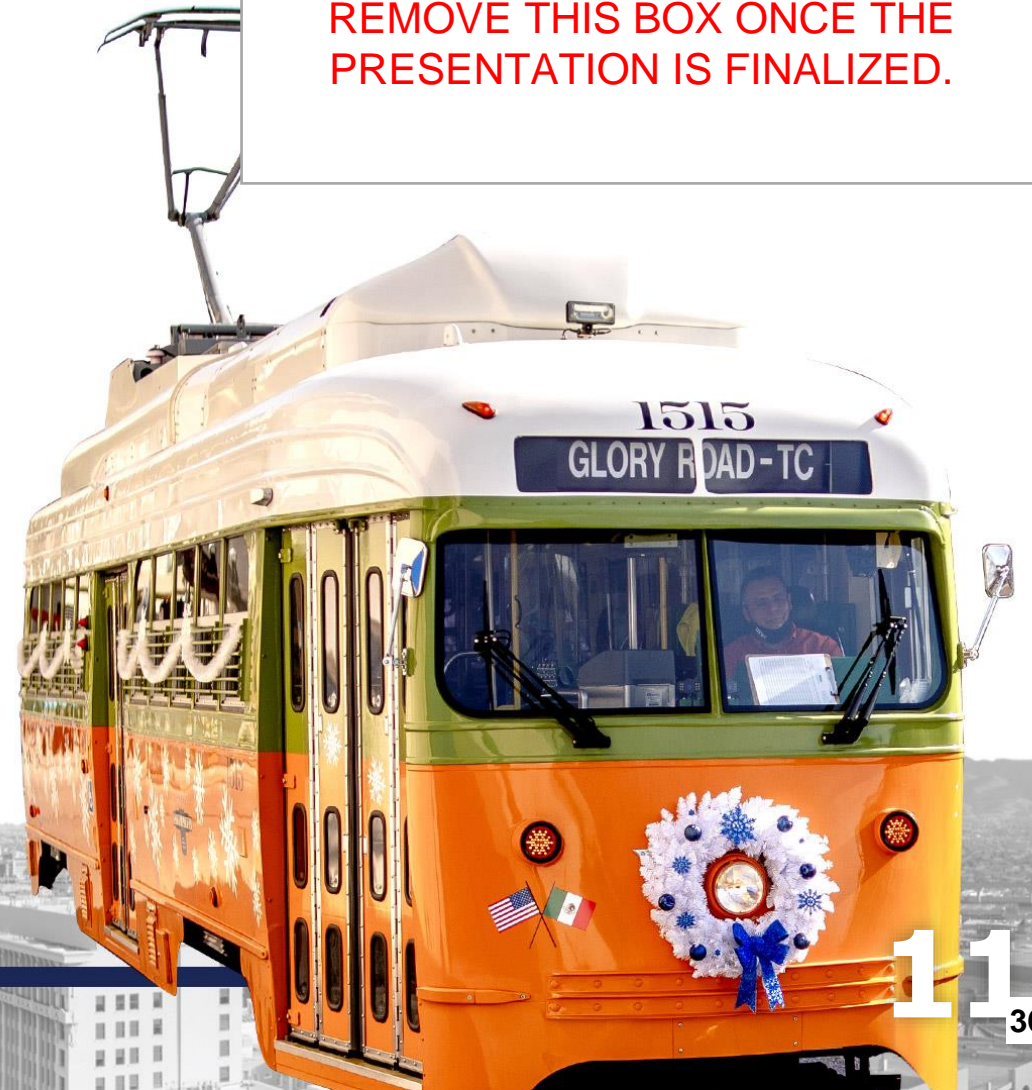
- Austin Police – City 36% - M 15%
- San Antonio F&P – City 24% - M 12%
- Dallas F&P – City 37.31% - M 13.5%
- Houston Police – City 27.10% M 10.5%
- Austin Fire – City 22.05% - M 18.7%
- Ft Worth – City 26.87% - M 12.69%
- El Paso F&P – City 18% - M 18%

Joint Funding Policy

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- TX Government Code 802.2011
- Required by law to develop and adopt a joint Funding Policy
- Policy that details plan for 100% funded ratio





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El Paso, TX

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**CITY OF EL PASO, TEXAS
LEGISTAR AGENDA ITEM SUMMARY FORM**

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Presentation on the preparation of the 2025-2026 Annual Audit Plan. [Internal Audit, Edmundo Calderon, (915) 212-1365]



Presentation on the Preparation of the FY 2025-2026 Annual Audit Plan

Stakeholders Input Interviews

- Schedule individual meetings with each stakeholder. Stakeholders include:
 - FOAC members,
 - City Manager,
 - A sample of Deputy City Managers,
 - A sample of Department Heads and Staff.

9 Risk Areas

1. Management Interest
2. Budget Risk
3. Strategic Risk
4. Reputation Risk
5. Compliance Risk
6. High Level of Decentralization
7. Legal Claims
8. Time Last Audited
9. Change in Management

Risk Scoring

- 5 Point Scoring Method
 - 9 Risk Areas x 5 points each = 45 points
 - 45 points + 5 points for weighting = 50 points maximum
- Historically, the average number of points needed to be considered for an audit is **38 to 42 points**.

Available Audit Hours

- 40 hour work week x 52 weeks = 2,080 hours available per Auditor.
- Subtract time for Vacations, Holidays, Sick Leave, Training, Contingency, and Office Admin Time. (Approximately 520 Hours)
- Leaves you with **1,560 audit hours available per Auditor.**
- 1,560 hours x Number of Auditors = Total hours available for audits
 - (1,560 x 8 = **12,480 total hours available for audits**)

Approximate Hours per type of Engagement

- Full Audits = 500 hours
- Follow-Up Audits = 250 hours
- Recurring Audits = Varies by engagement (Hotline, FOAC meetings, Tax Office Refunds, HOT Audits, Franchise Fee Audits, Sales Tax Monitoring, Cybersecurity Audits)

Scheduling

- Which quarter do the engagements go?
- Who gets the assignment?
- Team members involved?
- Intangibles (e.g., auditor resigns, goes on sick leave, or auditor skill sets/experience increases)

Q & A



El Paso, TX

300 N. Campbell
El Paso, TX

Legislation Text

File #: BC-807, Version: 1

**CITY OF EL PASO, TEXAS
LEGISTAR AGENDA ITEM SUMMARY FORM**

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Discussion and Action on the results of Round 9 of the Hotel Occupancy Tax Audit. [Internal Audit, Edmundo Calderon, (915) 212-1365]



CITY OF EL PASO

Internal Audit Department Hotel Occupancy Tax Audit — Round 9

Objective

The objective of these audits is to ensure that 20 hotels are complying with the City's Local Hotel Occupancy Tax requirements.

Scope

The scope of January 1, 2021 to December 1, 2024 (4 years), included a sample of 20 hotels.

Finding 1

The 20 Hotels audited owed the City \$1,417,289.09 in additional Hotel Occupancy Tax.

Recommendation

The Office of Comptroller should collect the amount owed to the City.

Conclusion

The audit of 20 hotels identified additional Hotel Occupancy Tax owed to the City of El Paso for disallowed tax exemptions.

Requested Action

To accept the results of the Hotel Occupancy Tax Audit – Round 9 and forward the Audit Report to City Council for action.



Avenu Hotel Occupancy Tax Review - Final Report (Round 9)

DRAFT

Issued by the
Internal Audit Department
April 24, 2025



Internal Audit Department

MAYOR

Renard U. Johnson

CITY COUNCIL
District 1

Alejandra Chávez

District 2

Dr. Josh Acevedo

District 3

Deanna M. Rocha

District 4

Cynthia Boyar Trejo

District 5

Ivan Niño

District 6

Art Fierro

District 7

Lily Limón

District 8

Chris Canales

CITY MANAGER

Dionne Mack

DATE: April 24, 2025

TO: Margarita Marin, Deputy Chief Financial Officer/City Comptroller

FROM: Edmundo S. Calderon, CIA, CGAP, CRMA, Chief Internal Auditor

SUBJECT: Avenu Hotel Occupancy Tax Review – Final Report (Round 9)

The City of El Paso has contracted Avenu Insights & Analytics to conduct Hotel Occupancy Tax (HOT) Reviews in accordance with Contract No. 2020-780R. On April 14, 2025, Avenu Insights & Analytics concluded their review of HOT compliance for 20 El Paso area hotels. The period under review was from January 1, 2021, through December 31, 2024 (48 months). The review of the 20 hotels identified that all 20 hotels have a deficiency totaling \$1,417,289.09.

The following table is a summary of the hotels that had deficiencies:

#	Hotel Name	Deficiency	Deficiency Amount
1	Aloft El Paso	Under Reported Gross Revenue, Unreported Taxable Fees, Over-Stated Exempt Revenue, Invalid Exempt Revenue	\$16,206.65
2	Best Western Airport	Under Reported Gross Revenue, Over-Stated Exempt Revenue, Invalid Exempt Revenue	\$34,006.24
3	Candlewood Suites El Paso	Unreported Pet Fees	\$3,201.12
4	Comfort Suites (1940)	Over-Stated Exempt Revenue, Invalid Exempt Revenue (Exemptions), Disallowed Tax Adjustments	\$16,600.66
5	Comfort Suites El Paso West	Under-Reported Gross Revenue, Over-Stated Exempt Revenue, Unreported Other Revenue	\$257,507.78
6	Courtyard Downtown – Convention Center	Over-Stated Exempt Revenue, Invalid Exempt Revenue	\$28,284.39
7	Courtyard El Paso – Airport	Under Reported Gross Revenue, Unreported Taxable Fees, Under Stated Exempt Revenue, Invalid Exempt Revenue	\$40,710.63
8	Desert Inn/Days Inn	Unreported Taxable Fees	\$490.52
9	Extended Stay America - Airport	Under-Reported Gross Revenue, Unexplained Misc Revenue, Under Stated Exempt Revenue, Invalid Exempt Revenue	\$62,044.03

Edmundo S. Calderón, CIA, CGAP, CRMA – Chief Internal Auditor

Internal Audit Department | 218 N. Campbell | El Paso, TX 79901

 O: (915) 212-0069 | D: (915) 212-1365 | Email: calderones@elpasotexas.gov



Internal Audit Department

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District 7

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CITY MANAGER

Dionne Mack

#	Hotel Name	Deficiency	Deficiency Amount
10	Extended Stay America - West	Under Reported Gross Revenue, Under Stated Exempt Revenue, Invalid Exempt Revenue	\$59,588.61
11	Hampton Inn & Suites	Over-Stated Exempt Revenue, Unreported Taxable Fees, Invalid Exempt Revenue	\$7,826.38
12	Holiday Inn El Paso West – Sunland Park	Under-Reported Gross Revenue, Unexplained Misc Revenue, Disallowed Exempt Revenue	\$701,305.79
13	Holiday Inn Express & Suites	Unreported Taxable Fess, Invalid Exempt Revenue	\$5,641.84
14	Holiday Inn Express	Under Reported Gross Revenue, Unreported Taxable Fees, Over-Stated Exempt Revenue	\$47,646.17
15	Home2 Suites by Hilton	Unreported Misc Revenue, Over-Stated Exempt Revenue, Invalid Exempt Revenue	\$60,215.33
16	Motel 6 – West	Under-Reported Gross Revenue, Under-Stated Exempt Revenue, Invalid Exempt Revenue	\$4,626.03
17	Palace Inn	Under-Reported Gross Revenue, Disallowed Exempt Revenue, Unreported Misc Charges	\$456.37
18	Springhill Suites	Under-Reported Gross Revenue, Under Stated Exempt Revenue, Unreported Texas Recovery Fee, Invalid Exempt Revenue	\$21,644.12
19	TownePlace Suites	Unreported Taxable Fees, Over-Stated Exempt Revenue, Invalid Exempt Revenue	\$11,772.59
20	Tru by Hilton	Under-Reported Gross Revenue, Unreported Taxable Fees, Over-Stated Exempt Revenue, Invalid Exempt Revenue	\$37,513.84
Total:			\$1,417,289.09

The Office of the Comptroller should collect the \$1,417,289.09 owed to the City for uncollected Hotel Occupancy Tax from the twenty hotels above. For more details, please see the attached Avenu Insights & Analytics Hotel Occupancy Tax Review – Final Audit Report.

If you have any questions, please feel free to contact me at extension 21365.

cc: Financial Oversight and Audit Committee

Dionne Mack, City Manager

Robert Cortinas, Chief Financial Officer/Deputy City Manager

Edmundo S. Calderón, CIA, CGAP, CRMA – Chief Internal Auditor

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The City of El Paso, TX

HOTEL OCCUPANCY TAX REVIEW – FINAL REPORT



April 14th, 2025

Edmundo S. Calderon, CIA, CGAP, CRMA, MBA
Chief Internal Auditor
City of El Paso
218 N. Campbell St
5th Floor
El Paso, TX, 79901

The City of El Paso commissioned Avenu Insights & Analytics to perform on-site/remote hotel occupancy tax examinations for twenty (20) hotels. This report is our Final Audit Report with respect to the assigned hotel occupancy tax compliance reviews.

A detailed summary of key findings, assessments and liability, if any, is included for the completed reviews in addition to relevant property information. As part of our due diligence in conducting the reviews and to support and validate the findings, this report identifies details on the audit performance contacts. Also identified are the documents and records furnished by the respective property for review and as appropriate, if any.

The twenty (20) properties reviewed and completed resulted in total findings of **\$1,417,289.09**.

Enclosed with this report, you will find an electronic copy of this report, as well as the Commendation / Deficiency Letters (with back-up), that will need to be reviewed by the City, printed on letterhead, signed, and mailed.

This report is organized as follows:

SECTION I)	SNAPSHOT OF FINDINGS BY HOTEL
SECTION II)	HOTEL REVIEW UPDATE
SECTION III)	AUDIT PARTICIPANTS AND REPRESENTATIVES
SECTION IV)	CONTACTS
SECTION V)	FIELD AUDIT NOTES AND BACK-UP DOCUMENTATION, PER PROPERTY



SECTION I) SNAPSHOT OF FINDINGS BY HOTEL

	ESTABLISHMENT	FINDING	ADDITIONAL TAX LIABILITY	REASON
1	Aloft El Paso	Deficiency	\$16,206.65	Under Reported Gross Revenue, Unreported Taxable Fees, Over-Stated Exempt Revenue, Invalid Exempt Revenue
2	Best Western Airport	Deficiency	\$34,006.24	Under Reported Gross Revenue, Over Stated Exempt Revenue, Invalid Exempt Revenue
3	Candlewood Suites El Paso	Deficiency	\$3,201.12	Unreported Pet Fees
4	Comfort Suites (1940)	Deficiency	\$16,600.66	Over Stated Exempt Revenue, Invalid Exempt Revenue (Exemptions), Disallowed Tax Adjustments
5	Comfort Suites El Paso West	Deficiency	\$257,507.78	Under-Reported Gross Revenue, Over Stated Exempt Revenue, Unreported Other Revenue
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10	Extended Stay America - West	Deficiency	\$59,588.61	Under Reported Gross Revenue, Under Stated Exempt Revenue, Invalid Exempt Revenue
11	Hampton Inn & Suites	Deficiency	\$7,826.38	Over Stated Exempt Revenue, Unreported Taxable Fees, Invalid Exempt Revenue



12	Holiday Inn El Paso West – Sunland Park	Deficiency	\$701,305.79	Under-Reported Gross Revenue, Unexplained Misc Revenue, Disallowed Exempt Revenue
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14	Holiday Inn Express	Deficiency	\$47,646.17	Under Reported Gross Revenue, Unreported Taxable Fees, Over Stated Exempt Revenue
15	Home2 Suites by Hilton	Deficiency	\$60,215.33	Unreported Misc Revenue, Over Stated Exempt Revenue, Invalid Exempt Revenue
16	Motel 6 – West	Deficiency	\$4,626.03	Under-Reported Gross Revenue, Under-Stated Exempt Revenue, Invalid Exempt Revenue
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20	Tru by Hilton	Deficiency	\$37,513.84	Under-Reported Gross Revenue, Unreported Taxable Fees, Over Stated Exempt Revenue, Invalid Exempt Revenue
Total Count		20	\$1,417,289.09	



El Paso, TX

300 N. Campbell
El Paso, TX

Legislation Text

File #: BC-806, **Version:** 1

CITY OF EL PASO, TEXAS
LEGISTAR AGENDA ITEM SUMMARY FORM

AGENDA LANGUAGE:

This is the language that will be posted to the agenda. Please use ARIAL 11 Font.

Discussion and Action on the results of the Parks and Recreation Department - Park Usage Permit Audit
A2025-01. [Internal Audit, Edmundo Calderon, (915) 212-1365]



Internal Audit Department Parks and Recreation Department – Park Usage Permit Audit A2025-01

Objectives

The objectives of this audit were to determine if the Parks and Recreation Department:

- Has an established process for issuing Park Usage Permits.
- Has established criteria for the need of a Park Usage Permit.
- Has Policies and Procedures for the issuance of Park Usage Permits.
- Is charging Permit Fees accurately.
- Is following up/enforcing Park Usage Permits.

Scope

The scope of September 1, 2023 to August 31, 2024 included:

- Reviewing departmental Policies and Procedures.
- Obtaining an understanding of the Open Park Space Permitting process.
- Conducting interviews with Parks personnel.
- Selecting a sample of issued Open Park Space Permits.

Finding 1

- Event organizers are not obtaining an Open Park Space Permit for unpermitted events.
- Events that do not follow the Permitting Process are not monitored.
- There are no Parks procedures to identify unpermitted events.
- There are no dedicated resources to allow for the identification and monitoring of unpermitted events.

Recommendation

- The Parks and Recreation Department staff should conduct community outreach to inform the public of the Permitting Process.
- The Department should also work with other City Departments to help monitor park areas for potential events.

Revised Management Response

Finding 1

“In partnership with Communication and Public Affairs, the Parks and Recreation Department will develop and implement a Communication Plan to include a Social Media campaign. This plan will provide key information to the community about Parks and Recreation permit processes and relevant City ordinances/municipal codes that govern the use of City Parks and Recreation Areas, and Park Rules and Guidelines that reinforce the enjoyment and safety of these spaces for Park users and the general public.”

Revised Management Response (Cont.)

Finding 1 (Cont.)

“Additionally, the Parks and Recreation Department began coordination with the El Paso Police Department and the Code Enforcement Departments to enhance the response to unpermitted events in our Parks and Recreation Areas. During the next fiscal year, Parks and Recreation and Code Enforcement will be reviewing the feasibility of adding a Park Ambassador Program. This would consist of Code Enforcement staff specializing in Park matters to assist with handling unpermitted events, to help reinforce Park Rules, to coordinate maintenance issues found at Park sites, and to assist park patrons supporting an overall positive experience at Parks and Recreation Areas.”

Finding 2

The following details were added by the Internal Audit Department:

- A table listing the 13 Municipal Codes applicable to the Parks and Recreation permitting process.
- A table listing 14 parks ranked by the number of permits issued and the total dollar amount of permit fees collected.
 - Lincoln Park was ranked #1
- A table listing the 9 permits issued for Lincoln Park totaling \$6,300.00.

Finding 2 (Cont.)

The current application requires 30 day advance notice. Nine applications were reviewed:

- Five Permit Applications were received less than 30 days before the event date.
- Four Permit Applications were received more than 30 days before the event date.

Recommendation

The Parks and Recreation Department should create a policy to enforce the 30-day Permit Application requirement.

Revised Management Response

Finding 2

The Parks and Recreation Department reviewed and will update the Administrative Guidelines to clarify when permit applications for the use of open spaces and sports areas require a minimum of 30-days. The following updates are scheduled for completion by October 2025:

1. Permit Issuance Process: As part of this update, we will develop a detailed Permit Issuance Process in accordance with Municipal Code 13.24. This process will establish clear, standardized procedures for the issuance of temporary permits for open spaces, facilities, and identifiable areas within City parks.”

Revised Management Response (Cont.)

Finding 2 (Cont.)

“2. Permit Application Requirements: The updated guidelines will include the following permit application requirements:

- a. 30-day advance application will be required for:
 - i. large events of 100 + participants
 - ii. when streets closures and traffic control are requested in open spaces and sports fields
- b. A minimum of two-week advance application will be required for use of any facilities such as recreation centers and aquatics area.

Revised Management Response (Cont.)

Finding 2 (Cont.)

“Lastly, with regard to the enforcement of unpermitted events, staff will bring forward a code amendment to Title 13.24 City Parks and Recreation Areas to mirror Title 9.40 Health and Safety. This will provide consistency and clarity in the provisions of enforcement authority under the new Code Enforcement Department and any relevant penalties to any persons violating the provisions of the chapter.”

Conclusion

Parks Department met the audit objectives as follows:

- Has documented Policies and Procedures for the issuance of Park Usage Permits.
- Properly reviews and issues Park Usage Permits to the public.
- Properly charges and collects fees for the issuance of Park Usage Permits.

Parks Department did not meet the audit objectives as follows:

- Unpermitted events are not identified and monitored by staff.
- Permit Applications are accepted less than 30 days before an event.
- There is no policy for the enforcement of unpermitted events.

Requested Action

To accept the results of the Parks and Recreation Department – Park Usage Permit Audit and forward the Audit Report to City Council for action.



**Parks and Recreation Department –
Park Usage Permit Audit
No. A2025-01**

Draft

Issued by the
Internal Audit Department
March 18, 2025

**City of El Paso
Internal Audit Department
Parks and Recreation Department – Park Usage Permit Audit A2025-01**

EXECUTIVE SUMMARY

The Internal Audit Department has concluded the Parks and Recreation Department – Park Usage Permit Audit. Based on the results of the audit, two findings were identified. The findings are considered significant in nature due to internal control breakdowns.

Listed below is a summary of the findings identified in this report:

1. There is no procedure in place for Parks and Recreation to identify and monitor events occurring at City of El Paso Parks when event organizers do not obtain Open Park Space Permits.
2. Parks and Recreation is accepting Open Park Space Permit Applications less than 30 days before the event date as required by the department.
 - Five (5) out of nine (9) Permit Applications (55.56%) were received less than 30 days before the event date.
 - Four (4) out of nine (9) Permit Applications (44.44%) were received more than 30 days before the event date.

For a detailed explanation of the findings, please refer to the body of the Audit Report.

City of El Paso
Internal Audit Department
Parks and Recreation Department – Park Usage Permit Audit A2025-01

BACKGROUND

The City of El Paso Parks and Recreation Department's mission is to provide indoor and outdoor leisure services to the El Paso community to develop skills, socialize, experience nature and live a healthier lifestyle. The Parks and Recreation Department has earned accreditations through the Commission for Accreditation of Park and Recreation Agencies (CAPRA) and the National Recreation and Park Association (NPRA). The Parks and Recreation Department has been accredited since 2018 and places in the 1 percent of agencies nationwide.

The Parks and Recreation Department offers the use of any area within a park for private events. All City park green areas are available for rent, but certain parks have designated rental areas. Park Usage Permits are offered and they ensure the use of any space for a designated time. Permit Applications are required for all events, permit and park usage fees are required. Applications must be turned in 30 days in advance for review by Parks staff. Parks can be reserved for special events and also require a site plan for the event. Food booths, security guards, and vendors are subject to additional fees.

Open Park Space Permits are required when an event is 50 or more people and/or if the event will require portable restrooms, amplification (loudspeaker, public address system, etc.) or amusement devices such as jumping balloons. During Fiscal Year 2024, the Parks and Recreation Department issued 218 Open Park Space Permits. These permits were issued at 83 unique park areas across the City of El Paso for fees totaling \$20,238.

AUDIT OBJECTIVES

The audit objectives of the Parks and Recreation Department – Park Usage Permit Audit are to determine if the Parks and Recreation Department:

- Has an established process for the issuance of Park Usage Permits,
- Has established criteria for the need of a Park Usage Permit,
- Has documented Policies and Procedures for the issuance of Park Usage Permits,
- Is charging the correct Permit Fees as determined by Schedule C or other fee schedule,
- Follows up on/enforces the use of Park Usage Permits.

AUDIT SCOPE AND METHODOLOGY

Our audit scope for September 1, 2023 to August 31, 2024 will include:

- Review Parks and Recreation Policies and Procedures.
- Obtain an understanding of the Parks and Recreation Open Park Space Permitting process.
- Conduct interviews with Parks and Recreation management and staff.
- Select a sample of Open Park Space Permit issued by Parks and Recreation to ensure that:
 - Applications were properly received and reviewed.
 - The proper fees were charged according to Schedule C.
 - The proper fees were collected.
 - Permits are being followed-up on and/or enforced once they are issued.

City of El Paso
Internal Audit Department
Parks and Recreation Department – Park Usage Permit Audit A2025-01

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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DRAFT

**City of El Paso
Internal Audit Department
Parks and Recreation Department – Park Usage Permit Audit A2025-01**

***SIGNIFICANT FINDINGS, RECOMMENDATIONS,
AND MANAGEMENT'S RESPONSES***

The definition of a “Significant Finding” is one that has a material effect on the City of El Paso’s financial statements, identifies an internal control breakdown, is a violation of a City procedure, or a violation of a law and/or regulation, which the City is required to follow. Any finding not meeting these criteria will be classified as a “Regular Finding”.

Finding 1

Permit Awareness

City of El Paso Strategic Plan:

- *Goal 6.3 Implement programs to reduce organizational risk*
- *Goal 6.5 Deliver services timely and effectively with focus on continual improvement*
- *Goal 6.11 Provide efficient and effective services to taxpayers*

Parks and Recreation Website Frequently Asked Questions (FAQ)

- *Shelters, Pavilions, Open Reserves & Parks*

1. Where can I get information to rent a shelter, pavilion, open reserves, or park?

- *An area within a park may be reserved for personal use for private events by obtaining a permit through the Parks and Recreation Department. A permit and park usage fee is required. This permit ensures the exclusive use of a particular space for a designated time. Families and organizations may reserve Park space for private use. Permit Application is required for all events; an application must be turned in 30 days in advance for review.*

- *Parties & Rentals*

9. I want to have a party at a park. Do I need to get a permit and is there a fee?

- *Yes, a \$54 park usage permit is required for park use if your event is 50 or more people or if any of the following items will be introduced onto the park grounds...Portable restrooms...amplification...amusement devices...*

An unpermitted event is one that happens naturally and unexpectedly, without prior planning or external influence, arising from a natural impulse or tendency.

Unpermitted event organizers do not obtain an Open Park Space Permit prior to events occurring at City Parks. Events that do not follow the Permitting Process are not monitored by the Parks and Recreation Department staff. The Parks and Recreation Department has no procedure to identify unpermitted events. Parks and Recreation has no dedicated resources to allow for the identification and monitoring of unpermitted events.

Recommendation

The Parks and Recreation Department staff should conduct more community outreach to inform the general public of the Permitting Process. Parks and Recreation should also work with the following City Departments to help monitor park areas City-wide for potential events:

- El Paso Police Department – security and public safety
- Public Health – food truck permitting

City of El Paso
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Parks and Recreation Department – Park Usage Permit Audit A2025-01

- Streets and Maintenance – traffic control
- Parks and Recreation – park oversight
- One Stop Shop – street closures, event signatures and additional permitting

Management's Response

In partnership with Communication and Public Affairs, the Parks and Recreation Department will develop and implement a Communication Plan to include a Social Media campaign. This plan will provide key information to the community about Parks and Recreation permit processes and relevant City ordinances/municipal codes that govern the use of City Parks and Recreation Areas, and Park Rules and Guidelines that reinforce the enjoyment and safety of these spaces for Park users and the general public.

Additionally, the Parks and Recreation Department began coordination with the El Paso Police Department and the Code Enforcement Departments to enhance the response to unpermitted events in our Parks and Recreation Areas. During the next fiscal year, Parks and Recreation and Code Enforcement will be reviewing the feasibility of adding a Park Ambassador Program. This would consist of Code Enforcement staff specializing in Park matters to assist with handling unpermitted events, to help reinforce Park Rules, to coordinate maintenance issues found at Park sites, and to assist park patrons supporting an overall positive experience at Parks and Recreation Areas.

Responsible Party

Parks and Recreation Department Director/Communications Department/Code Enforcement

Implementation Date

Fall of 2025 Begin Communication Plan/Social Media Plan implementation
Spring 2026 Park Ambassador Program development

City of El Paso
Internal Audit Department
Parks and Recreation Department – Park Usage Permit Audit A2025-01

Finding 2

Permit Issuance

City of El Paso Strategic Plan:

- *Goal 6.3 Implement programs to reduce organizational risk*
- *Goal 6.5 Deliver services timely and effectively with focus on continual improvement*
- *Goal 6.11 Provide efficient and effective services to taxpayers*

Parks and Recreation Website Frequently Asked Questions (FAQ)

- *Shelters, Pavilions, Open Reserves & Parks*
 1. *Where can I get information to rent a shelter, pavilion, open reserves, or park?*
 - *An area within a park may be reserved for personal use for private events by obtaining a permit through the Parks and Recreation Department. A permit and park usage fee is required. This permit ensures the exclusive use of a particular space for a designated time. Families and organizations may reserve Park space for private use. Permit Application is required for all events; an application must be turned in 30 days in advance for review.*
- *Parties & Rentals*
 3. *What do I need to reserve a shelter, pavilion, open reserve, or park?*
 - *...If you are making a reservation within 30 days of your event, the balance must be paid in full...Reservations will not be accepted in under two weeks...*

We reviewed the Parks and Recreation permitting system related to Chapter 13.24 of the City of El Paso Municipal Code. The following Municipal codes were reviewed:

Municipal Code Heading	Municipal Code #	Description
Authority to grant permits, licenses, leases, concessions or contracts—Permittee responsibilities; appeals.	13.24.030	Grants Parks and Recreation the authority to issue temporary permits for park usage given certain conditions are met.
Hours of closure.	13.24.040	Details the calendar of days and hours that City Parks are closed to the public
Dangerous amusements.	13.24.070	Prohibits the use of items such as bow and arrows, firearms, remote controlled airplanes, and other objects that are likely to inflict injury.
Motor vehicles.	13.24.090	Prohibits the use of motor vehicles and similar motorized devices except for motorized wheelchairs in any city park or trail.
Play areas for young children.	13.24.110	Playground areas shall be only used as intended and by persons of appropriate age.

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Alcoholic beverages.	13.24.130	Alcoholic beverages are not to be consumed or possessed in a city park or identifiable area except if included as part of agreement.
Fires and grills.	13.24.150	Fires may not be lit, built or maintained in a city park except in devices provided or designated. Grills shall be attended at all times and not placed upon pathways, sports courts and parking lot.
Adherence to park rules and signs.	13.24.160	All persons shall comply with sign and markers installed at city parks.
Use of city parks.	13.24.170	Parks are generally available on a first come, first served basis except when a permit has been given.
Glass beverage bottles or containers.	13.24.190	No glass containers at any city park.
Park and recreation facility use and fee authorization.	13.24.200	Authorizes Parks and Recreation to establish programs, activities, classes, events, and other general services and charge the appropriate fees as listed in the fee schedule along with additional guidelines and definitions.
Enforcement.	13.24.210	Code enforcement employees have the authority to issue misdemeanor citations.
Violation of Sections 13.24.010 through 13.24.150 and 13.24.170 through 13.24.190—Penalty.	13.24.220	Any person violating listed Sections shall be guilty of a misdemeanor and subject to a fine not to exceed \$500 upon conviction.

During FY 2024, 218 Open Park Space Permits were issued for a total of \$20,328. A sample of nine (9) permits at Lincoln Park were selected for review. The permits at Lincoln Park were selected due to the amounts of fees collected during FY 2024 in relation to the City of El Paso as a whole. The fees totaled at Lincoln Park accounted for 30.99% of the total fees collected by Parks and Recreation city-wide.

The top 14 Parks in relation to revenue are listed below:

	Park Name	# of Permits	Total Fees Collected
1	Lincoln Park	9	\$ 6,300.00
2	Eastwood Park C	18	\$ 1,245.00
3	Westside Community Park A	7	\$ 724.00
4	Madeline	8	\$ 632.00
5	El Barrio	6	\$ 570.00

City of El Paso
Internal Audit Department
Parks and Recreation Department – Park Usage Permit Audit A2025-01

6	Memorial B	7	\$	557.00
7	Eastwood Park A	9	\$	546.00
8	Tom Lea Upper	10	\$	531.00
9	Eastwood Park B	7	\$	438.00
10	Marty Robbins A	6	\$	384.00
11	Sue Young Park B	6	\$	384.00
12	Braden Aboud Park	5	\$	315.00
13	John Lyons Park	5	\$	300.00
14	Veterans Park A	5	\$	300.00

The 9 permits issued at Lincoln Park were listed as follows:

	Event Name/Description	Fees Collected
1	Lincoln Park Day	\$ 1,055.00
2	Tent Crusade	\$ 828.00
3	Custom Car Show	\$ 339.00
4	NOVAMEX/ JARRITOS BIRTHDAY TOUR	\$ 69.00
5	Ernie Montoya (Blue Diamond B-Ball 4th Year Tournament)	\$ 162.00
6	Family Gathering	\$ 54.00
7	Cornerstone Church	\$ 3,685.00
8	Green Paradise Productions	\$ 54.00
9	BASKETBALL TOURNAMENT 5TH ANNUAL	\$ 54.00
	Total	\$ 6,300.00

The selected sample reviewed identified that:

- Five (5) out of nine (9) Permit Applications (55.56%) selected were received less than 30 days before the requested event date.
- Four (4) out of nine (9) Permit Applications (44.44%) selected were received more than 30 days before the requested event date.

Recommendation

The Parks and Recreation Department should create a policy to enforce the 30-day Permit Application requirement.

City of El Paso
Internal Audit Department
Parks and Recreation Department – Park Usage Permit Audit A2025-01

Management's Response

The Parks and Recreation Department reviewed and will update the Administrative Guidelines to clarify when permit applications for the use of open spaces and sports areas require a minimum of 30-days. The following updates are scheduled for completion by October 2025:

1. Permit Issuance Process: As part of this update, we will develop a detailed Permit Issuance Process in accordance with Municipal Code 13.24. This process will establish clear, standardized procedures for the issuance of temporary permits for open spaces, facilities, and identifiable areas within City parks.
2. Permit Application Requirements: The updated guidelines will include the following permit application requirements:
 - a. 30-day advance application will be required for:
 - i. large events of 100 + participants
 - ii. when streets closures and traffic control are requested in open spaces and sports fields
 - b. A minimum of two-week advance application will be required for use of any facilities such as recreation centers and aquatics area.

Lastly, with regard to the enforcement of unpermitted events, staff will bring forward a code amendment to Title 13.24 City Parks and Recreation Areas to mirror Title 9.40 Health and Safety. This will provide consistency and clarity in the provisions of enforcement authority under the new Code Enforcement Department and any relevant penalties to any persons violating the provisions of the chapter.

Responsible Party

Park and Recreation Department

Implementation Date

October 2025

**City of El Paso
Internal Audit Department
Parks and Recreation Department – Park Usage Permit Audit A2025-01**

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 Parks and Recreation Department – Park Usage Permit Audit. The audit evidence used in the 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 Parks and Recreation Department met the objectives of this audit. Based on our audit work, we have determined that:

1. Parks and Recreation met the audit objectives in the following areas:
 - Has documented Policies and Procedures for the issuance of Park Usage Permits.
 - Properly reviews and issues Park Usage Permits to the general public.
 - Properly charges and collects fees for the issuance of Park Usage Permits in accordance with Schedule C.
2. Parks and Recreation did not meet the audit objectives in the following areas:
 - Unpermitted events are not able to be identified and monitored by Parks and Recreation staff.
 - Parks and Recreation is accepting Permit Applications less than 30 days before the event date.
 - There is no policy for the enforcement of unpermitted events.

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

Edmundo S. Calderón, CIA, CGAP, CRMA, MBA
Chief Internal Auditor

Sergio Carrillo, Jr., CGAP, MBA
Auditor III

Miguel Montiel, CIA, CGAP
Audit Manager

Distribution:

Financial Oversight and Audit Committee
Dionne Mack, City Manager
Richard Bristol, Deputy City Manager
Pablo Caballero, Director – Parks and Recreation



El Paso, TX

300 N. Campbell
El Paso, TX

Legislation Text

File #: BC-869, Version: 1

**CITY OF EL PASO, TEXAS
LEGISTAR AGENDA ITEM SUMMARY FORM**

AGENDA LANGUAGE:

This is the language that will be posted to the agenda. Please use ARIAL 11 Font.

Discussion and Action to retain an external auditing firm to undertake audits, included and added to fiscal year Audit Plans, which cannot be conducted by the Internal Audit Department staff. [FOAC Chair, Dr. Josh Acevedo, (915) 212-0002]



El Paso, TX

300 N. Campbell
El Paso, TX

Legislation Text

File #: BC-705, Version: 1

**CITY OF EL PASO, TEXAS
LEGISTAR AGENDA ITEM SUMMARY FORM**

AGENDA LANGUAGE:

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Discussion on FY 2024-2025 Audit Plan 3rd Quarter Updates. [Internal Audit, Miguel Montiel, (915) 212-1367]



CITY OF EL PASO

Internal Audit Department 3rd Quarter Update

March 1, 2025 to May 31, 2025

Reporting Statement

According to Domain III & IV of the Global Internal Audit Standards, Principle 8 - Standard 8.1 and Principle 9 - Standard 9.4 as issued by the Institute of Internal Auditors, the Chief Internal Auditor must report periodically to the Financial Oversight and Audit Committee and Senior Management on the internal audit activity's purpose, authority, responsibility, and performance relative to its Audit Plan.

We conduct audits in accordance with both Generally Accepted Government Auditing Standards and the Global Internal Audit Standards.

Independence Statement

As required by the Global Internal Audit Standards, Standard 7.1, the City of El Paso's Internal Audit Department continues to maintain its independence. Per the City Charter amended May 6, 2023, the Chief Internal Auditor reports operationally to the Chairman of the Financial Oversight and Audit Committee (FOAC) and legislatively to the FOAC. The FOAC reviews and recommends for approval by City Council the Internal Audit Charter and annual risk-based Audit Plan. The FOAC also receives quarterly updates to the Annual Audit Plan from the Chief Internal Auditor. The City Manager shall be responsible for the implementation of any audit recommendations for changes to City administrative procedures and operations as requested by City Council.

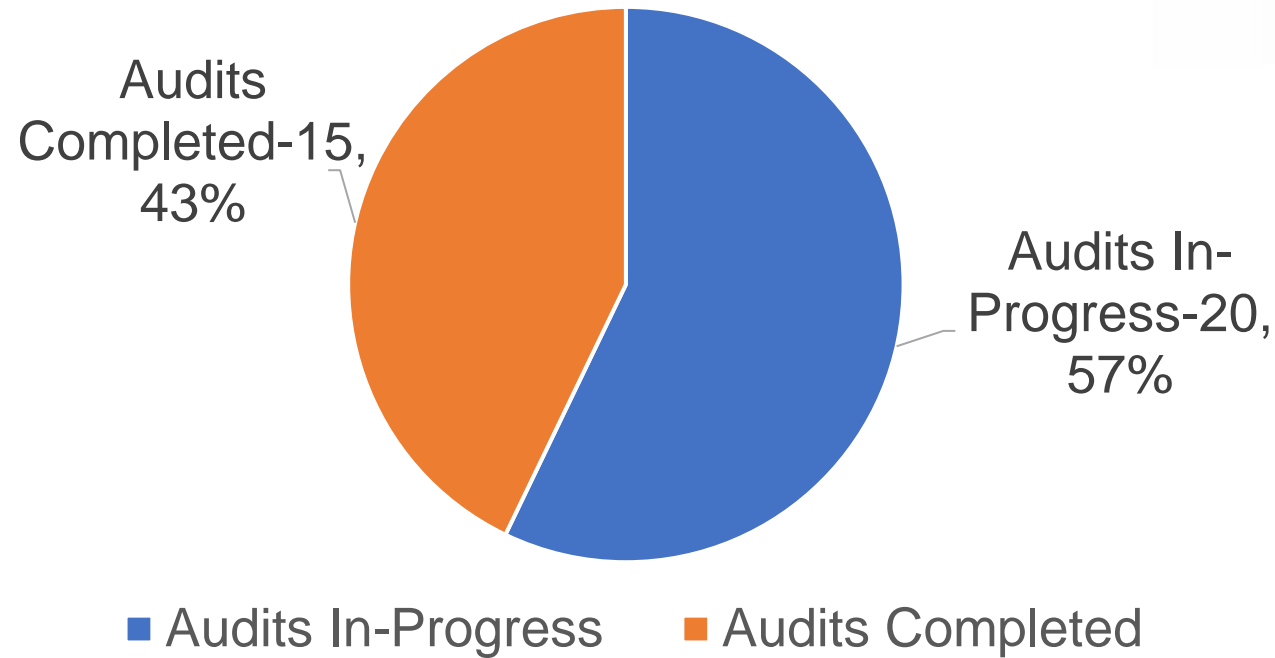
Training Hours

As of May 31, 2025

Name	Position	CPE Hours
Edmundo Calderon	Chief Internal Auditor	42.30
Liz De La O	Deputy Chief Internal Auditor	27.30
Mike Montiel	Audit Manager	34.50
Martha Vargas	Auditor IV	39.30
Miguel Ortega	Auditor III	17.80
Sergio Carrillo	Auditor III	34.30
Esmeralda Herrera	Auditor II	42.50
Christian Castro	Auditor I	36.30
Miguel Olivas	Auditor I	32.30

FY 2024-2025 Audit Plan Completion

September 1, 2024 to May 31, 2025



Audit Code	Audit Name	Status
P2024-01	Sun Metro Money Room – Internal Control Review	Complete
P2024-03	Dept. of Public Health – Internal Control Review	Complete
A2024-08	On-Call Services Agreement Audit	In-Progress
A2025-01	Parks and Recreation Dept. – Park Usage Permit Audit	In-Progress
A2025-02	El Paso International Airport – Accts. Payable Audit	Complete
A2025-03	Follow-Up Audit Division of Military Affairs – Travel & Accounts Payable Audit	Complete
A2025-04	Budget Transfer Audit	In-Progress
A2025-05	Code Enforcement Division Audit	In-Progress
A2025-06	Streets and Maintenance (SAM) - Permits Review Follow-Up Audit	In-Progress
A2025-07	Economic Development - 380 Agreement Monitoring Follow-Up Audit	Not Started

2024-2025 Audits

September 1, 2024 to May 31, 2025

Audit Code	Audit Name	Status
A2025-08	Animal Services - Westside Adoption Center Construction Audit	Not Started
A2025-09	El Paso Zoo - Financial Activity Audit	In-Progress
P2025-01	Accounts Receivable – Hotel Occupancy Tax Review	Complete
P2025-02	Vehicle Allowance & Take-Home Cars	In-Progress
P2025-03	Executive Vacation Request & Sick Leave Project (Cancelled on FOAC Mtg of 03/13/2025)	Cancelled
P2025-04	City Council & City Manager's Office - P-Card and Travel Review (Cancelled on FOAC Mtg of 03/13/2025)	Cancelled
CoSourced	Police Department – Cyber Security Audit	In-Progress
CoSourced	Hotel Occupancy Tax Audits – Round 9	In-Progress
CoSourced	Franchise Fee Audit – El Paso Water Utility	Not Started

2024-2025
Audits
September 1, 2024 to
May 31, 2025

City of El Paso – Employee Hotline

March 1, 2025 to May 31, 2025

Received 9 calls and 2 calls remained open as of May 31, 2025.

One call received during the 2nd Quarter remained open as of May 31, 2025.

Tax Office Refund Review Project

March 1, 2025 to May 31, 2025

**Conducted 41 Tax Office Refund Reviews
during the 3rd Quarter.**

Q & A



2024-2025
Annual Audit Plan
3rd Quarter Update

Issued by the
Internal Audit Department
As of May 31, 2025

City of El Paso
Internal Audit Department
Financial Oversight and Audit Committee
3rd Quarter 2024-2025 Audit Plan Update
As of May 31, 2025

INTRODUCTION

According to Domain III & IV of the Global Internal Audit Standards, Principle 8 - Standard 8.1 and Principle 9 - Standard 9.4 as issued by the Institute of Internal Auditors, the Chief Internal Auditor must report periodically to the Financial Oversight and Audit Committee and Senior Management on the internal audit activity's purpose, authority, responsibility, and performance relative to its Audit Plan. The Chief Internal Auditor is also responsible for reporting significant risk exposures, control issues, fraud risks, governance issues, and other matters needed or requested by the Financial Oversight and Audit Committee and Senior Management.

In addition, by periodically reporting to the Financial Oversight and Audit Committee and Senior Management, the Internal Audit Department helps support the City of El Paso's *Strategic Plan* Goals 6.6 and 6.8;

- Goal 6.6: *Ensure continued financial stability and accountability through sound financial management, budgeting and reporting.*
- Goal 6.8: *Support transparent and inclusive government.*

The Chief Internal Auditor is also responsible to communicate the internal audit activity's plans and resource requirements, including significant interim changes, to the Financial Oversight and Audit Committee for review and approval. The Chief Internal Auditor must also communicate the impact of any resource limitations.

Based on this requirement, this Annual Audit Plan Update is being provided to the Financial Oversight and Audit Committee. The Chief Internal Auditor will provide an update on the following three critical areas required in the management of an internal audit activity. The three critical areas are:

1. Pending Audits and Projects
2. Miscellaneous Items affecting the Internal Audit Department's Activity
3. Annual Audit Plan Update

As required by the Global Internal Audit Standards, Standard 7.1, the City of El Paso's Internal Audit Department continues to maintain its independence. Per the City Charter amended May 6, 2023, the Chief Internal Auditor reports operationally to the Chairman of the Financial Oversight and Audit Committee (FOAC) and legislatively to the FOAC. The FOAC reviews and recommends for approval by City Council the Internal Audit Charter and annual risk-based Audit Plan. The FOAC also receives quarterly updates to the Annual Audit Plan from the Chief Internal Auditor. The City Manager shall be responsible for the implementation of any audit recommendations for changes to City administrative procedures and operations as requested by City Council. Standard 8.3 requires the Internal Audit Department ensure conformance with the Global Internal Audit Standards, to include the Ethics and Professionalism Domain II. The Ethics and Professionalism Domain Principles includes Integrity, Objectivity, Confidentiality, Competency, and Due Professional Care. Any non-conformance will be reported.

We conduct audits in accordance with both Generally Accepted Government Auditing Standards and the Global Internal Audit Standards.

City of El Paso
Internal Audit Department
Financial Oversight and Audit Committee
3rd Quarter 2024-2025 Audit Plan Update
As of May 31, 2025

PENDING AUDITS & PROJECTS

This section will provide the Financial Oversight and Audit Committee and the City Manager a short synopsis of the pending Audits and Projects currently being completed by the staff of the Internal Audit Department as of the end of the 3rd Quarter. A brief synopsis is provided on the scope and objective of the Audit or Project.

1. Hotel Occupancy Tax Audits – Round 9

The objectives of this Audit are to determine if 20 El Paso area hotels are compliant on paying Hotel Occupancy Taxes due to the City of El Paso.

2. Capital Improvement On-Call Services Agreement Audit

The objectives of the Audit are to:

- Determine how the on-call contracting process is administered.
- Identify how CID determines when to use on-call contracting.
- Determine if CID has controls in place to monitor compliance.
- Determine if Accounts Payable transactions are processed according to *City of El Paso Accounts Payable Policy*.

3. Vehicle Allowance and Take Home Cars Project

The objectives of the Review are to assess Vehicle Allowance payments and Take Home Cars. To achieve the project objectives, the Internal Audit Department will:

- Review Vehicle Allowance payments for compliance with the *Vehicle Allowance Program Policy*.
- Determine if City employees who receive a Vehicle Allowance are not assigned a Take-Home Car.
- Review Policies for the use and assignment of Take-Home Cars.
- Determine if departments monitor the usage of Take-Home Cars.

4. Police Department – Cyber Security Audit

The objectives of the Audit are to determine if City-owned applications managed by the Police Department meet National Institute of Standards and Technology (NIST) cyber security standards. The NIST cyber security standards help organizations manage and reduce cyber security risks.

5. Budget Transfer Audit

The objectives of the Audit are to determine if the Office of Management and Budget:

- Has comprehensive written Policies and Procedures for Budget Transfers.
- Is properly communicating and providing feedback to City departments.
- Is enforcing established Budget Transfer limits and approvals.
- Is ensuring City Departments are submitting proper documentation for Budget Transfers.
- Has processes in place to ensure the accuracy and timeliness of Budget Transfers.

City of El Paso
Internal Audit Department
Financial Oversight and Audit Committee
3rd Quarter 2024-2025 Audit Plan Update
As of May 31, 2025

6. Follow-Up Audit – Streets & Maintenance (SAM) – Permits Review

The objectives of this Follow-Up Audit are to determine whether the findings and recommendations identified in the original Audit Report dated July 10, 2023 have been adequately addressed. Specifically, the following three items:

- Policies and Procedures have been created specific to the Permitting Function of SAM.
- City's Municipal Code has been updated to reflect current SAM operations in Permit issuance turnaround.
- An Aging Schedule or dashboard has been developed to keep track of sites that require inspections based off the Permit Issuance Date.

7. El Paso Zoo – Financial Activity Audit

The objectives of this Audit are to perform a review of the El Paso Zoo's financial activity to ensure proper accounting and reporting. The audit will concentrate on the following areas:

- Ticket Sales,
- Zoo Memberships,
- Zoo Sponsorships,
- Zoo Fundraising Events,
- Identify discrepancies and document any areas where inefficiencies can be strengthened.

8. Franchise Fee Audit – El Paso Water Utility

The objectives of the Franchise Fee Audit will help identify any issues with the payment of the City Franchise Fee from the El Paso Water Utility.

9. Parks and Recreation Department – Park Usage Permit Audit

The objectives of the Park Usage Permit Audit are to determine if the Parks and Recreation Department:

- Has an established process for the issuance of Park Usage Permits.
- Has established criteria for the need of a Park Usage Permit.
- Has documented Policies and Procedures for the issuance of Park Usage Permits.
- Is charging the correct Permit Fees as determined by Schedule C or other fee schedule.
- Follows-up and enforces the use of Park Usage Permits.

City of El Paso
Internal Audit Department
Financial Oversight and Audit Committee
3rd Quarter 2024-2025 Audit Plan Update
As of May 31, 2025

FINANCIAL OVERSIGHT AND AUDIT COMMITTEE ("FOAC")

1. The FOAC met on March 13, 2025 to discuss the following:
 - Approval of Minutes for the Financial Oversight and Audit Committee meeting on February 12, 2025 were approved.
 - Discussion and Action on the 2025 FOAC Meeting Calendar.
 - Discussion on FY 2024-2025 Audit Plan 2nd Quarter Updates.
 - Discussion and Action on the results of the Department of Public Health - Internal Control Review P2024-03.
 - Discussion and Action on the results of the Sun Metro Money Room - Internal Control Review P2024-01.
 - Discussion and Action on the results of the Division of Military Affairs - Travel and Accounts Payable Audit Report A2024-02.
 - Discussion and Action on the results of the Sun Bowl Game Audit Report A2024-04.
 - Discussion and Action on the results of the Vehicle Allowance Program Analysis.
 - Discussion and Action on proposed amendments to the FY 2024-2025 Audit Plan to be sent to City Council for Final Approval at the April 1, 2025 Regular Council Meeting.
2. The FOAC met on April 10, 2025 to discuss the following:
 - Approval of Minutes for the Financial Oversight and Audit Committee meeting on March 13, 2025 were approved.
 - Discussion on Types of Engagements.
 - Discussion and Action on the FY 2024-2025 Annual Audit Plan Replacement Audits.

City of El Paso
Internal Audit Department
Financial Oversight and Audit Committee
3rd Quarter 2024-2025 Audit Plan Update
As of May 31, 2025

FINANCIAL OVERSIGHT AND AUDIT COMMITTEE (“FOAC”) -
continued

3. The FOAC met on May 8, 2025 to discuss the following:
- Approval of Minutes for the Financial Oversight and Audit Committee meeting on April 10, 2025 were approved.
 - Discussion and Action on the results of the Parks and Recreation Department – Park Usage Permit Audit A2025-01.
 - Discussion and Action on the results of the Accounts Receivable – Hotel Occupancy Tax Review P2025-01.

City of El Paso
Internal Audit Department
Financial Oversight and Audit Committee
3rd Quarter 2024-2025 Audit Plan Update
As of May 31, 2025

MISCELLANEOUS ITEMS

This section provides the Financial Oversight and Audit Committee and the City Manager with miscellaneous information regarding the Internal Audit Department's activities. These activities can vary from community service activities, training sessions attended, Professional Certification Examinations attempted with result, and Internal Audit Profession news and updates.

TRAINING SESSIONS

The Internal Audit Department staff participates in Continuing Professional Education (CPE) trainings and webinars to help maintain our competency and skill sets. As of the 3rd Quarter, staff have earned the following number of CPE hours. Staff with professional certifications are required to earn 40 CPE hours per calendar year.

Name	Position	CPE Hours
Edmundo Calderon	Chief Internal Auditor	42.30
Liz De La O	Deputy Chief Internal Auditor	27.30
Mike Montiel	Audit Manager	34.50
Martha Vargas	Auditor IV	39.30
Miguel Ortega	Auditor III	17.80
Sergio Carrillo	Auditor III	34.30
Esmeralda Herrera	Auditor II	42.50
Christian Castro	Auditor II	36.30
Miguel Olivas	Auditor I	32.30

SERVICE TO THE PROFESSION

- I. **Association of Government Accountants – El Paso Chapter**
 - Edmundo Calderon volunteered as a Board Member.
 - Martha Vargas volunteered as a Board Member. She participated in the AGA's Lead Conference during April 24-26, 2025.
- II. **Institute of Internal Auditors – El Paso Chapter**
 - Esmeralda Herrera volunteered as a Board Member. She participated in IIA's Leadership Academy during April 13-15, 2025.
 - Martha Vargas volunteered as a Board Member.
 - Edmundo, Martha and Esmeralda hosted a series of study sessions for Part I of the Certified Internal Auditor exam that benefited local Internal Auditors preparing for the exam.
- III. **Association of Certified Fraud Examiners – El Paso Chapter**
 - Liz De La O and Miguel Montiel volunteered as Board Members.
 - Both participated in establishing the Chapter's 1st Fraud Conference on April 22, 2025.
- IV. **Association of Local Government Auditors**
 - Sergio Carrillo participated in a Peer Review of City of Tallahassee, FL the week of May 5, 2025.
 - Edmundo Calderon, Miguel Montiel and Chris Castro participated in the 2025 ALGA Annual Conference during May 4-8, 2025.

City of El Paso
Internal Audit Department
Financial Oversight and Audit Committee
3rd Quarter 2024-2025 Audit Plan Update
As of May 31, 2025

AUDIT PLAN UPDATE

This section will provide the Financial Oversight and Audit Committee and the City Manager with an update on the progress of the 2024-2025 Annual Audit Plan. An analysis is provided listing the Audits/Projects scheduled by quarter with their associated budgeted hours. The actual audit hours worked per Audit/Project is provided. This analysis is a great management tool to demonstrate how the Internal Audit Department's resources are being used.

	BUDGETED HOURS	YTD as of 05/31/25
First Quarter	-	-
(CarryFwds) Pension Office Digitization and Cybersecurity Review (P2023-07)	50.00	220.00
(CarryFwds) Sun Metro Money Room Internal Control Review (P2024-01)	50.00	201.25
(CarryFwds) Water Parks Follow Up Audit (A2024-09)	50.00	43.50
(CarryFwds) U-Matter Card Program Review (P2024-02)	50.00	26.25
(CarryFwds) Sun Bowl Game Audit (A2024-04)	50.00	16.75
(CarryFwds) Accounts Receivable Program Follow Up Audit (A2024-07)	100.00	28.50
(CarryFwds) Planning and Inspections - Permit Review Audit (A2024-03)	100.00	101.75
(CarryFwds) SAM - Cyber Security Assessment Follow Up Audit (A2024-10)	100.00	35.75
(CarryFwds) Health Department - Internal Control Review (P2024-03)	250.00	323.50
(CarryFwds) Accounts Receivable - Hotel Occupancy Tax Audits	250.00	268.00
(CarryFwds) On-Call Services Agreement Audit (A2024-08)	300.00	305.75
(CarryFwds) El Paso International Airport- Accounts Payable Audit	500.00	482.00
Citywide Sales Tax Analysis - Clearview	40.00	1.50
Hotel Occupancy Tax Audits - Administration	50.00	172.50
Franchise Fee Audits (Spectrum) - Administration	50.00	13.25
TX Sales Tax Discovery - Administration	50.00	14.75
City Employee Hotline	75.00	73.75
Tax Office Refund Review Project	100.00	94.00
Longevity Project	100.00	8.00
Cyber Audits - Administration	300.00	60.75
Contingency Hours	404.00	-
Audit Plan	-	543.75
Consulting	-	20.00
Division of Veteran and Military Affairs – Travel and Accounts Payable Audit	-	23.25
Economic Development – 380 Agreement Monitoring Audit	-	3.50
P-Card Reviews: City Council & City Manager's Office – P-Card & Travel Review	-	19.00
Vehicle Allowance Analysis	-	3.00
Weaver	-	5.00
Administrative Duties - Chief Internal Auditor	225.00	219.00
Administrative Duties – Audit Manager	90.00	120.25
Administrative Duties - Staff Auditors	560.00	612.50

City of El Paso
Internal Audit Department
Financial Oversight and Audit Committee
3rd Quarter 2024-2025 Audit Plan Update
As of May 31, 2025

First Quarter (Continued)	BUDGETED HOURS	YTD as of 05/31/25
Auditor Training	135.00	499.50
Vacation/Sick Leave/Holiday	651.00	875.50
Total	4,680.00	5,435.50
Second Quarter	-	-
Take Home Cars & Use of City Vehicles Project	250.00	220.25
Executive Vacation Requests & Sick Leave Project (Cancelled per FOAC Meeting of 03/13/2025)	250.00	288.00
Follow Up Audit: Streets & Maintenance - Permits Review Audit	250.00	115.50
Parks Department - Permit Audit	500.00	456.00
Budget Transfer Audit	500.00	347.75
Citywide Sales Tax Analysis - Clearview	40.00	4.50
Hotel Occupancy Tax Audits - Administration	50.00	143.50
Franchise Fee Audits (Spectrum) - Administration	50.00	9.00
TX Sales Tax Discovery - Administration	50.00	5.50
City Employee Hotline	75.00	45.25
Tax Office Refund Review Project	100.00	93.00
Longevity Project	100.00	-
Cyber Audits - Administration	300.00	74.50
Contingency Hours	504.00	-
Audit Plan	-	251.00
Consulting	-	82.00
FOAC	-	225.00
Weaver	-	229.50
Administrative Duties - Chief Internal Auditor	225.00	191.50
Administrative Duties -Deputy Chief Internal Auditor & Audit Manager	170.00	173.50
Administrative Duties - Staff Auditors	480.00	329.75
Auditor Training	135.00	246.25
Vacation/Sick Leave/Holiday	651.00	812.25
Total	4,680.00	4,343.50
Third Quarter	-	-
Yellow Book Self-Assessment	250.00	75.00
Red Book Self-Assessment	250.00	151.50
El Paso Zoo - Memberships, Fund-Raising Activities, Attendance, & Ticket Sales Audit (Financial Activity Audit)	500.00	186.00
Animal Services Facilities Upgrade, Change Orders, & Construction Compliance Audit	500.00	126.75
P-Card Reviews: City Council & City Manager's Office - P-Card & Travel Review (Cancelled per FOAC Meeting of 03/13/2025)	250.00	146.00
Citywide Sales Tax Analysis - Clearview	40.00	6.50
Hotel Occupancy Tax Audits - Administration	50.00	239.25
Franchise Fee Audits (Spectrum) - Administration	500.00	-
TX Sales Tax Discovery - Administration	50.00	-
City Employee Hotline	75.00	51.50
Tax Office Refund Review Project	100.00	153.50
Longevity Project	100.00	-
Cyber Audits - Administration	300.00	247.75

City of El Paso
Internal Audit Department
Financial Oversight and Audit Committee
3rd Quarter 2024-2025 Audit Plan Update
As of May 31, 2025

Third Quarter (Continued)	BUDGETED HOURS	YTD as of 05/31/25
Contingency Hours	504.00	-
Audit Plan	-	383.75
Consulting	-	0.50
Code Enforcement Audit	-	37.50
FOAC Prep	-	530.50
Weaver	-	42.25
Administrative Duties - Chief Internal Auditor	225.00	166.00
Administrative Duties -Deputy Chief Internal Auditor & Audit Manager	170.00	240.25
Administrative Duties - Staff Auditors	480.00	331.50
Auditor Training	135.00	371.75
Vacation/Sick Leave/Holiday	651.00	464.75
Total	4,680.00	3,952.50
Fourth Quarter	-	-
Follow Up Audit: Division of Military Affairs - Travel & Acc. Payable Audit	250.00	217.25
Follow Up Audit: Economic Development - 380 Agreement Monitoring Audit	250.00	110.25
CID - Davis-Bacon Act Compliance & Certified Payroll Audit	500.00	-
Emergency Solutions Grant (ESG) Program Audit	500.00	1.25
SAM - Facility Maintenance Audit	500.00	-
Citywide Sales Tax Analysis - Clearview	40.00	-
Hotel Occupancy Tax Audits - Administration	50.00	-
Franchise Fee Audits (Spectrum) - Administration	50.00	-
TX Sales Tax Discovery - Administration	50.00	-
City Employee Hotline	75.00	-
Tax Office Refund Review Project	100.00	-
Longevity Project	100.00	-
Cyber Audits - Administration	300.00	-
Contingency Hours	254.00	-
Administrative Duties - Chief Internal Auditor	225.00	-
Administrative Duties -Deputy Chief Internal Auditor & Audit Manager	170.00	-
Administrative Duties - Staff Auditors	480.00	-
Auditor Training	135.00	-
Vacation/Sick Leave/Holiday	651.00	-
Total	4,680.00	328.75
Totals for 1st, 2nd, 3rd & 4th Quarters	18,720.00	14,060.25

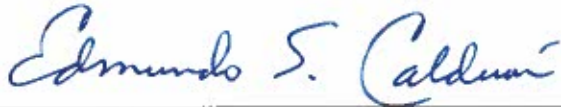
City of El Paso
Internal Audit Department
Financial Oversight and Audit Committee
3rd Quarter 2024-2025 Audit Plan Update
As of May 31, 2025

CONCLUSION

The 3rd Quarter of the 2024-2025 Audit Plan was another productive quarter for the Internal Audit Department. During the 3rd Quarter, 9 Audits/Projects are in various stages of planning or completion.

It continues to be a pleasure serving the Mayor and City Council, the Financial Oversight and Audit Committee, the City Manager, the Deputy City Managers, and the Managing Directors. The Internal Audit Department staff continues to strive for excellence in meeting our departmental motto, "Exceeding our Client's Expectations."

Respectfully Submitted



Edmundo S. Calderon, CIA, CGAP, CRMA, MBA
Chief Internal Auditor
City of El Paso

Distribution:

Financial Oversight and Audit Committee

Dionne Mack, City Manager

Robert Cortinas, Deputy City Manager/Chief Financial Officer