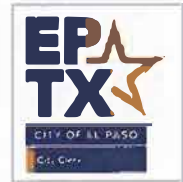


**CITY OF EL PASO, TEXAS  
AGENDA ITEM  
DEPARTMENT HEAD'S SUMMARY FORM**



**DEPARTMENT:** Internal Audit

**AGENDA DATE:** February 3, 2026

**PUBLIC HEARING DATE:**

**CONTACT PERSON NAME:** Miguel Montiel

**PHONE NUMBER:** 915-212-1367

**2nd CONTACT PERSON NAME:** Liz De La O

**PHONE NUMBER:** 915-212-1371

**DISTRICT(S) AFFECTED:** All Districts

**STRATEGIC GOAL:**

Goal 6: Set the Standard for Sound Governance and Fiscal Management

**SUBGOAL:**

**SUBJECT:**

Discussion and Action to accept the results of the Planning & Inspections - Permit Review Follow-Up Audit A2026-01. Audit was accepted by FOAC at the December 11, 2025 meeting

**BACKGROUND / DISCUSSION:**

The timeframe for this audit was September 1, 2025 to November 20, 2025. The objectives of this audit were to ensure that corrective action was taken by management to address the recommendation detailed in the original audit report titled Planning & Inspections – Permit Review Audit dated October 22, 2024. Our review identified the following:

On October 22, 2025, the Planning and Inspections Department implemented the City of El Paso Plan Review/Inspections Policies and Procedures dated August 2025. The manual addresses how the Planning and Inspections Department manages:

- Roles and responsibilities for staff in charge of issuing Permits.
- Required documents/information to be included in each Permit Application.
- Reviews and approval processes before issuing a Permit.
- Permits requested online via the Citizen Access Portal.

The Policies and Procedures Manual was made available to staff. All Plan Examiners and Inspectors were trained on the new procedures on October 22, 2025. One Stop Shop staff were trained on the new procedures on November 12, 2025.

**COMMUNITY AND STAKEHOLDER OUTREACH:**

Not applicable

**PRIOR COUNCIL ACTION:**

Not applicable

**AMOUNT AND SOURCE OF FUNDING:**

Not applicable

**REPORTING OF CONTRIBUTION OR DONATION TO CITY COUNCIL:**

Not applicable

NAME	AMOUNT (\$)

\*\*\*\*\*REQUIRED AUTHORIZATION\*\*\*\*\*

**DEPARTMENT HEAD:**



(If Department Head Summary Form is initiated by Purchasing, client department should sign also)



**Planning & Inspections – Permit Review  
Follow-Up Audit  
No. A2026-01**

**Draft**

Issued by the  
Internal Audit Department  
November 20, 2025

**City of El Paso**  
**Internal Audit Department**  
**Planning & Inspections – Permit Review Follow-Up Audit A2026-01**

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***EXECUTIVE SUMMARY***

The Internal Audit Department conducted a Follow-Up Audit of the Planning & Inspections – Permit Review Audit A2024-03 Audit Report dated October 22, 2024. The original Audit Report contained one (1) finding. Upon completion of the audit fieldwork, we have determined the status of the recommendation for the audit finding as outlined in the table below:

<b>Finding No.</b>	<b>Description of Original Finding</b>	<b>Status</b>
1	<p>The Policies and Procedures (P&amp;Ps) established for the Planning &amp; Inspections Department’s Plan Review Division are outdated and vague. The P&amp;Ps consist of only flowcharts documenting the workflow for issuing and closing Building and Construction Permits. Our review identified the following:</p> <ul style="list-style-type: none"><li>• The Policies and Procedures have not been updated since Calendar Year 2010 according to the Building and Permitting Development Program Manager.</li><li>• The Policies and Procedures lack comprehensive and detailed guidelines for managing the following areas:<ul style="list-style-type: none"><li>○ Roles and Responsibilities for staff in charge of issuing Permits.</li><li>○ Required documents/information to be included in each Permit Application.</li><li>○ Review and approval process before issuing a Permit.</li><li>○ Permits requested online via the Citizen Access Portal.</li></ul></li></ul>	Implemented

For a detailed explanation of the finding and current observation please refer to the body of this Audit Report.

**City of El Paso**  
**Internal Audit Department**  
**Planning & Inspections – Permit Review Follow-Up Audit A2026-01**

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***BACKGROUND***

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

The City of El Paso's Planning & Inspections (P&I) Department oversees the Planning, Land Development, Building/Construction Permits, Inspections, Licensing, and the *One-Stop Shop*. The P&I Department offers various types of Permits to El Paso businesses, residents, visitors, and the development & construction community.

According to the City's FY 2026 Schedule C – Department Fee List, the P&I Department issues the following type of Permits:

- Trade Permits for plumbing, mechanical, electrical, fire protection, and/or irrigation.
- Building Permits (also known as Master Permits) for all new construction.
- Event Permits for Parades, Special Events, or Temporary Events.
- Special Privilege Permits for mobile billboards, signs, marquee, etc.

The *One-Stop Shop* is the primary intake point for land development, building permits, and most business licenses. It also serves as a primary payment location for all building and over-the-counter construction permits and most other City applications and licenses.

The P&I Department uses a software application called "Accela" for permitting, licensing, and point of sale transactions.

***AUDIT OBJECTIVES***

The audit objective of the follow-up process was to ensure that corrective action was taken by management to address the recommendation detailed in the original Audit Report titled *Planning & Inspections – Permit Review Audit* dated October 22, 2024.

***AUDIT SCOPE AND METHODOLOGY***

The scope for this follow-up audit was Fiscal Years 2025 & 2026. To achieve our audit objective, we:

- Reviewed Planning and Inspections Department's Policies and Procedures in the following areas:
  - Roles and Responsibilities for staff in charge of issuing Permits.
  - Required documents/information to be included in each Permit Application.
  - Review and approval process before issuing a Permit.
  - Permits requested online via the Citizen Access Portal.

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.

**City of El Paso**  
**Internal Audit Department**  
**Planning & Inspections – Permit Review Follow-Up Audit A2026-01**

***ORIGINAL FINDING, CRITERIA, ORIGINAL RECOMMENDATION, MANAGEMENT'S  
RESPONSE TO ORIGINAL FINDING, CURRENT OBSERVATION, AND STATUS***

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

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

**Original Finding 1** (Report Dated October 22, 2024)

**Policies and Procedures**

The Policies and Procedures (P&Ps) established for the Planning & Inspections Department's Plan Review Division are outdated and vague. The P&Ps consist of only flowcharts documenting the workflow for issuing and closing Building and Construction Permits. Our review identified the following:

- The Policies and Procedures have not been updated since Calendar Year 2010 according to the Building and Permitting Development Program Manager.
- The Policies and Procedures lack comprehensive and detailed guidelines for managing the following areas:
  - Roles and Responsibilities for staff in charge of issuing Permits.
  - Required documents/information to be included in each Permit Application.
  - Review and approval process before issuing a Permit.
  - Permits requested online via the Citizen Access Portal.

**Standard/Criteria**

City of El Paso Strategic Plan:

- Goal 6.4 *Implement leading-edge practices for achieving quality and performance excellence*
- Goal 6.12 *Maintain systems integrity, compliance and business continuity*

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

**Original Recommendation**

The Planning and Inspections Department should:

- Update their Plan Review Division's Policies and Procedures to reflect current practices.
- Add comprehensive Policies and Procedures on how to manage the following areas:
  - Roles and Responsibilities for staff in charge of issuing Permits.
  - Required documents/information to be included in each Permit Application.
  - Review and approval process before issuing a Permit.
  - Permits requested online via the Citizen Access Portal.

**City of El Paso**  
**Internal Audit Department**  
**Planning & Inspections – Permit Review Follow-Up Audit A2026-01**

**Management's Response**

The Planning and Inspections Department will update the Policies and Procedures Manual by September 2025. Staff will make sure the update accounts for changes that have occurred since the last update, e.g. electronic plan review, code updates, etc.

- Guidelines will be updated to reflect directions required to issue different types of permits, e.g. permit status required for issuance. These guidelines will be included in the Department Policies and Procedures Manual and will be available to all Plan review staff, including the One-Stop Shop staff for implementation.
- Staff will update and include the document submittal requirements guidelines into the Policies and Procedures Manual. Planning and Inspections currently has 40 types of permits in the document submittal guidelines, staff will combine permit types whose requirements are similar to reduce the number of guidelines and requirements.
- Staff will make sure the review and approval process is updated and included in the Department Policies and Procedures Manual.
- Updated Citizen Access Portal (electronic submittal) guidelines will be included in the Department Policies and Procedure Manual and will be incorporated into the Departmental website.

**Responsible Party**

Daniel Chavira – Building and Permitting Development Program Manager

**Implementation Date**

September 2025

**Current Observation**

On October 22, 2025, the Planning and Inspections Department implemented the *City of El Paso Plan Review/Inspections Policies and Procedures* dated August 2025. The manual addresses how the Planning and Inspections Department manages:

- Roles and responsibilities for staff in charge of issuing Permits.
- Required documents/information to be included in each Permit Application.
- Reviews and approval processes before issuing a Permit.
- Permits requested online via the Citizen Access Portal.

The Policies and Procedures Manual was made available to staff. All Plan Examiners and Inspectors were trained on the new procedures on October 22, 2025. One Stop Shop staff were trained on the new procedures on November 12, 2025.

**Status**

Implemented

**City of El Paso**  
**Internal Audit Department**  
**Planning & Inspections – Permit Review Follow-Up Audit A2026-01**

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***INHERENT LIMITATIONS***

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

***CONCLUSION***

We have concluded our audit work on the objectives of the Planning & Inspections Permit Review Follow-Up Audit. The audit evidence used in the analysis is sufficient and appropriate for addressing the objectives and supporting the observations and conclusion. In accordance with *Generally Accepted Government Auditing Standards*, we are required to conclude on whether the Planning & Inspections Department met the objectives of this Follow-Up Audit.

Based on our audit work, we have determined that the Planning and Inspections Department met the audit objectives of the Follow-Up Audit. The Planning and Inspections Department implemented the *City of El Paso Plan Review/Inspections Policies and Procedures* dated August 2025.

We wish to thank Planning & Inspections management and staff for their assistance and courtesies extended during the completion of this Follow-Up Audit.

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Liz De La O, CFE, CIA, CGAP, MPA  
Deputy Chief Internal Auditor

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Miguel Olivas  
Auditor I

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Miguel Montiel, CIA, CGAP  
Audit Manager

**Distribution:**

Financial Oversight and Audit Committee  
Dionne Mack, City Manager  
Nicole Cote, Deputy City Manager  
Philip Etiwe, Director of Planning & Inspections Department