



**Planning & Inspections –  
Permit Review Audit  
No. A2024-03**

Issued by the  
Internal Audit Department  
October 22, 2024

**City of El Paso**  
**Internal Audit Department**  
**Planning & Inspections – Permit Review Audit A2024-03**

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***EXECUTIVE SUMMARY***

The Internal Audit Department has concluded the Planning & Inspections – Permit Review Audit. Based on the results of the audit, one finding was identified. The finding is considered significant in nature due to an internal control breakdown.

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

1. The Policies and Procedures (P&Ps) established for the Planning & Inspections Department’s Plan Review Division are outdated and vague.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.

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

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***BACKGROUND***

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 type of Permits to El Paso businesses, residents, visitors, and the development & construction community. A Permit is required to construct, enlarge, alter, repair, move, demolish, or change the occupancy of a building or structure within the City of El Paso’s jurisdiction.

According to the City’s *FY 2024 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, outdoor pay phones, marquee, etc.

The P&I Department’s *One-Stop-Shop* is the primary intake point for obtaining a Permit. It serves as the primary payment location for all building and over-the-counter Construction Permits. Customers also have the option to submit their Construction Plans electronically and pay the permit fees online through the “Citizen Access Portal.” According to the department’s website, a total of 697 Commercial Permits and 1,300 Residential Permits have been issued by the P&I Department.

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

***AUDIT OBJECTIVES***

The objectives of the Planning & Inspections – Permit Review Audit were to determine if the Planning & Inspections Department:

- Has comprehensive written Policies and Procedures for the issuance of Permits.
- Is properly issuing Permits as required by City Policy and Ordinance.
- Is charging the correct Permit Fees as determined by Schedule C.
- Is properly conducting inspections to close out Permits.

***AUDIT SCOPE***

This was a limited scope audit of the Planning & Inspections Department’s operations during Fiscal Year 2023-2024.

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***AUDIT METHODOLOGY***

To achieve our audit objectives, we:

- Reviewed if the Planning & Inspections Department had documented comprehensive Policies and Procedures for handling and issuing Permits.
- Reviewed Planning & Inspections’ permitting staff job responsibilities and workloads for handling and issuing Permits.
- Reviewed if the Planning and Inspections Department is issuing Permits in a reasonable timeframe.
- Determined if the Permit issuance process had delays affecting the completion of a project.
- Verified if the Planning and Inspections Department charged the correct Permit Fees as determine by the City of El Paso – Schedule C Fee List.
- Reviewed if Permit Inspections were conducted and recorded.
- Verified if Permits were properly closed and completed.

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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***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**

**Policies and Procedures**

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.*

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.

**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.
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**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 Procedure 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

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***INHERENT LIMITATIONS***

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

***CONCLUSION***

We have concluded our work on the objectives of the Planning & Inspections – Permit Review 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 whether the Planning and Inspections Department met the objectives of this audit. Based on our audit work, we have determined that:

1. The Planning & Inspections Department met the audit objectives in the following areas:
  - Issuing Permits in a reasonable timeframe. No major delays were identified in our review affecting the issuance of a Permit, aside from waiting for customers to correct errors on Permit Documents.
  - Charging Permit Fees as required on the *City of El Paso – Schedule C Fee List*.
  - Properly completing and recording Permit Inspections.
  - Properly completing and closing Permits.
  
2. The Planning & Inspections Department did not meet the audit objectives in the area of:
  - Updating their Policies and Procedures to include:
    - 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 wish to thank the Planning & Inspections Department management and staff for their assistance and courtesies extended during the completion of this audit.

*Signature on File*

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

*Signature on File*

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Miguel Ortega, CGAP  
Auditor III

*Signature on File*

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Miguel Montiel, CIA, CGAP  
Audit Manager

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