



CITY AUDITOR'S OFFICE

# Procurement of Construction Services

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December 5, 2025

AUDIT NO. 2408

**CITY COUNCIL**

Mayor Lisa Borowsky  
Barry Graham  
Jan Dubauskas  
Vice Mayor Adam Kwasman  
Kathy Littlefield  
Maryann McAllen  
Solange Whitehead



December 5, 2025

Honorable Mayor and Members of the City Council:

Enclosed is the audit report for *Procurement of Construction Services*, which was included on the Council-approved FY 2025/26 Audit Plan. This audit was conducted to evaluate the effectiveness of controls over the procurement of construction services. Procurement of construction using alternative delivery methods is delegated to the Project Engineering department within the Transportation and Infrastructure division. Competitive bids for construction services are managed by the Purchasing department. This audit reviewed processes under both departments.

Our review found that stronger controls are needed over the delegated procurement, including appropriate oversight of procurement activities and procedures to monitor and document compliance with requirements. Specifically, we noted that selection committee members need to confirm they are free from potential bias or conflict of interest, and the evaluation process needs to be better documented to support the final selection. Additionally, we noted that construction fees and rates are not negotiated during the initial contract negotiations, potentially reducing negotiating leverage and transparency on contract pricing.

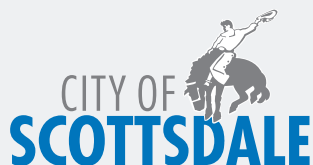
If you need additional information or have any questions, please contact me at (480) 312-7851.

Sincerely,

Lai Cluff, CIA  
Acting City Auditor

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Travis Attkisson, CISA – Sr. Auditor  
Melvin Merrill, Sr. Auditor



## Procurement of Construction Services

Audit No. 2408

### WHY WE DID THIS AUDIT

An audit of *Procurement of Construction Services* was completed pursuant to the City Council-approved fiscal year (FY) 2025/26 Audit Plan. The audit objective was to evaluate the effectiveness of controls over the procurement of construction services.

### BACKGROUND

In accordance with Arizona Revised Statutes Title 34 and City Procurement Code, Design-Bid-Build construction must be procured through a competitive sealed bidding process, also referred to as Invitation for Bid (IFB). In contrast, construction using CMAR, JOC, and DB are alternative project delivery methods and must be procured through a qualifications-only selection process, referred to as Request for Qualifications (RFQ)

Construction procurements using IFB are handled by the Purchasing department, while RFQ construction procurements are managed by the Project Engineering department of Transportation & Infrastructure (T&I) which also manages the construction project.

### WHAT WE FOUND

**Stronger controls over delegated procurements are needed to ensure compliance and transparency, and to align with those adopted by Purchasing.**

Specifically,

- T&I has not established sufficient oversight and appropriate separation of duties in its procurement function.
- Procedures to monitor and document compliance with procurement requirements are needed, including controls to ensure submittals deadlines are enforced and submissions are not accessed prior to solicitation close.
- Selection committee members have not been required to confirm they are free from potential bias and conflicts of interest, and evaluation records to support final selections were not properly maintained.

Fully utilizing the e-procurement system to manage procurements would impose stronger controls. As well, the delegation of authority needs to be updated for change in organizational structure, and the level of delegation should be re-evaluated.

**For alternative delivery method construction, options to further incorporate construction pricing into the contracting process should be evaluated.**

Initial contracts for JOC, CMAR, and DB do not contain construction pricing, such as the contractor's overhead and profit rates. To maximize negotiating leverage, streamline cost proposals, and improve transparency on contract pricing, certain rates and fees could be negotiated before awarding a contract.

**Opportunities exist for strengthening certain contract terms and procurement policies.**

Safety plan requirements could be expanded to reduce the city's liability exposure, considerations for use of JOC for larger projects should be evaluated. As well, policies for notifying the public of intent to award need to be aligned across departments.

### WHAT WE RECOMMEND

The Senior Director of Transportation & Infrastructure should:

- Establish appropriate separation duties and responsibilities for monitoring procurement activities and align procedures to those adopted by Purchasing, including using the e-procurement system to manage submissions and evaluations.
- Ensure all evaluators affirm non-conflict of interest and evaluation process is properly documented.
- Evaluate options for negotiating construction fees and pricing before awarding a contract and adopting a simplified procurement process for lower-dollar contracts. Work with Legal and Risk to update contractual safety requirements.

The Purchasing Director should:

- Update the delegation of authority for 2025 organizational changes and work with T&I to clarify responsibilities and level of delegation.

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## OBJECTIVE & SCOPE

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An audit of *Procurement of Construction Services* was completed pursuant to the City Council-approved fiscal year (FY) 2025/26 Audit Plan. The audit objective was to evaluate the effectiveness of controls over procurement of construction services.

The audit reviewed procurement of construction services handled by the Purchasing department, as well as procurements delegated to Transportation and Infrastructure for construction projects using alternative project delivery methods.

## BACKGROUND

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Construction services, as defined by Arizona Revised Statutes, include services for building, altering, repairing, improving, or demolishing public structure, building, or other improvements, but does not include routine repair and maintenance. In addition to the Council-approved Procurement Code and internal procedures, procurement for construction services must follow requirements established by Arizona Revised Statutes (ARS) Title 34.

### ARS Title 34 Definition of Construction

- (a) The process of building, altering, repairing, improving or demolishing any public structure or building or other public improvements of any kind to any public real property.
- (b) Does not include the routine operation, routine repair or routine maintenance of existing facilities, structures, buildings or real property.

### Procurement Code

As established by the Council-approved Procurement Code, construction contracts over \$50,000 follow formal procedures (e.g. sealed bids or proposals) and contracts \$25,000 and over must be awarded by City Council. ARS Title 34 allows local governments to procure construction services using the following types of project delivery methods:

1. Design-Bid-Build (DBB)
2. Construction Manager at Risk (CMAR),
3. Job Order Contracting (JOC), and
4. Design Build (DB).

In accordance with Title 34, Design-Bid-Build construction must be procured through a competitive sealed bidding process. In contrast, construction using CMAR, JOC, and DB are alternative project delivery methods and must be procured through a qualifications-only selection process.

**Delegation of Procurement Authority** – As provided in the Procurement code, the Purchasing Director may establish rules and procedures for governing city procurements of all materials, services and construction. Within the Procurement Code, procurement authority for the design and construction services using alternative delivery methods is delegated by the Purchasing Director to the Capital Project Management (CPM) department through the Public Works Executive Director or designee. CPM is also responsible for the planning, project management, and administration of construction projects, and as of May 2025 was reorganized as the Project Engineering department within the Transportation & Infrastructure division (T&I). This delegation has been in place as far back as the 2008 Procurement Code.

Under this delegation, T&I manages the procurements of CMAR, JOC, and DB construction through a Request for Qualifications process and the Purchasing Department manages procurements of

DBB construction through an Invitation for Bid Process. Organizationally, T&I reports to the City Manager while Purchasing reports to the City Treasurer.

## Procurement Processes

The formal procedures that apply to construction procurements are as follows:

- **Invitation for Bids (IFB) solicitations** – In an IFB process, complete construction plans and specifications are provided to potential bidders. Sealed bids are received, and the contract is awarded to the lowest priced bidder, who is both capable of performing the work (responsible) and submitted the required information (responsive).
- **Request for Qualifications (RFQ) solicitations** – Solicitation for Statements of Qualifications are requested before construction plans are complete, and selection is based on qualifications alone. Pricing cannot be a selection criterion and must be negotiated with the highest ranked firm after evaluating and ranking of all submissions (if no agreement on pricing is reached, the contract administrator may negotiate with the next highest ranked firm).

**Figure 1. Construction Procurement Types and Project Delivery Methods.**

Type	Selection Method	Project Delivery Method
Invitation for Bid (IFB)	<ul style="list-style-type: none"> <li>• Competitive sealed bidding.</li> <li>• Lowest priced responsive and responsible bidder.</li> <li>• Procurement is overseen by the Purchasing Department.</li> </ul>	<b>Design-Bid-Build (DBB)</b> <ul style="list-style-type: none"> <li>➤ Construction is competitively bid based on complete design plans and specifications.</li> <li>➤ Often used for grant-funded projects that require price competition, or projects that do not have complex design or timing considerations.</li> </ul>
Request for Qualifications (RFQ)	<ul style="list-style-type: none"> <li>• Selection is based on evaluation of demonstrated competence and qualifications only – a Statement of Qualifications is received (SOQ).</li> <li>• Compensation may be negotiated with highest ranked firm.</li> <li>• Procurement is overseen by the Transportation &amp; Infrastructure Department.</li> </ul>	<b>Construction Manager at Risk (CMAR)</b> <ul style="list-style-type: none"> <li>➤ A CMAR contractor is hired during the design phase to provide preconstruction services (e.g. constructability reviews, value engineering, cost estimating).</li> <li>➤ A construction contract is negotiated after completion of preconstruction services, and subsequently awarded by Council.</li> </ul> <b>Design Build (DB)</b> <ul style="list-style-type: none"> <li>➤ One firm is hired to provide both design and construction services.</li> <li>➤ A preconstruction contract is awarded for the design services.</li> <li>➤ A construction contract is negotiated after completion of preconstruction services, and subsequently awarded by Council.</li> </ul> <b>Job Order Contracting (JOC)</b> <ul style="list-style-type: none"> <li>➤ A master contract for indefinite quantity is awarded.</li> <li>➤ Contract contains dollar limits for individual projects and annual limits.</li> <li>➤ Contracts may be awarded to multiple contractors.</li> <li>➤ Job orders are issued under the master contract and are administratively approved by T&amp;I.</li> </ul>

SOURCE: Auditor analysis of city Procurement Code, ARS Title 34, and industry practices for alternative delivery methods.

Figure 2 below describes the stages of a construction services solicitation, from pre-solicitation through advertisement, selection, and award.

**Figure 2. Solicitation process for construction services.**

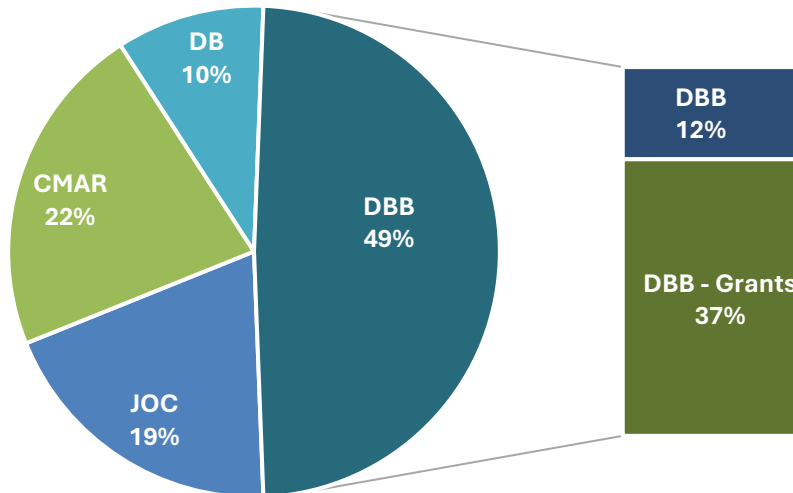
Invitation for Bid (IFB)		Request for Qualifications (RFQ)	
Step 1 - Pre-Solicitation			
<p><b>Responsible party: T&amp;I Project Engineering or other buying department</b></p> <ul style="list-style-type: none"><li>• Define services needed and available budget</li><li>• Evaluate best-fit project delivery method and procurement approach</li><li>• Submit to Purchasing, a solicitation request</li></ul>			
Step 2 – Publish Solicitation			
<p><b>Responsible party: Purchasing</b></p> <ul style="list-style-type: none"><li>• Verify required documents have been provided. Approval obtained from department management before drafting solicitation.</li><li>• Draft Solicitation is reviewed/approved by Contract Administrator, Legal, and Risk.</li><li>• Solicitation is posted to the public e-Procurement website. Registered vendors for the solicited services are auto-notified.</li></ul>		<p><b>Responsible party: T&amp;I Project Engineering</b></p> <ul style="list-style-type: none"><li>• Solicitation is drafted and reviewed/approved by Contract Administrator, Legal, and Risk.</li><li>• Solicitation is posted to public e-Procurement website. Registered vendors for the solicited services are auto-notified.</li></ul>	
Step 3 – Bid Close and Evaluation			
<p><b>Responsible party: Purchasing</b></p> <ul style="list-style-type: none"><li>• Bids are received through the e-Procurement portal.</li><li>• Opening of sealed bids and bid amounts is documented at bid close.</li><li>• Buyer reviews submissions for responsiveness (completeness) and responsibility (qualified).</li></ul>		<p><b>Responsible Party: T&amp;I Project Engineering</b></p> <ul style="list-style-type: none"><li>• Responses are received thru email by the assigned PMA.</li><li>• A Selection Committee is formed and Panel Member Agreement signatures are obtained.</li><li>• PMA emails submission documents and evaluation forms to each evaluator and aggregates scores after evaluation.</li><li>• Interviews may be scheduled as determined by the committee.</li></ul>	
Step 4 – Contract Award			
<p><b>Responsible party: Purchasing</b></p> <ul style="list-style-type: none"><li>• Lowest responsive and responsible bidder is selected.</li><li>• Notice of Intent to Award is posted to the e-Procurement portal before contract is agendized for Council approval.</li><li>• Finalized contract is reviewed and signed by Contractor, Contract Administrator, Purchasing Director, Legal and Risk.</li><li>• Council approval during a public meeting.</li></ul>		<p><b>Responsible Party: T&amp;I Project Engineering</b></p> <ul style="list-style-type: none"><li>• Project Manager enters into contract negotiations with the highest ranked firm.</li><li>• Finalized contract is reviewed and signed by Contractor, Contract Administrator, City Engineer, Legal and Risk.</li><li>• Contract is agendized for Council approval at public meeting as notice to the public.</li></ul>	

SOURCE: Auditor analysis of procurement code, policy and procedures, and interviews with Purchasing and Transportation & Infrastructure staff.

### Trends in construction procurement

For the two-year period selected for review, we identified 41 solicitations for construction that were awarded or substantially completed during calendar years 2023 and 2024. As shown in Figure 3 below, about half of these solicitations were for DBB projects using the IFB competitive sealed bidding process, most of which were grant-funded projects requiring price competition. The remaining half used an RFQ process for alternative project delivery methods. Overall spending coded to construction services during FY 2024/25 totaled about \$190 million. Spending is not tracked by project delivery method in the financial system, though CMAR and DB projects are typically larger and one procurement may result in a series of contracts (a preconstruction contract, construction contract, contract modifications for multi-phased construction, and contract change orders for increases in cost or scope). Job orders issued under the master JOC contracts are tracked by the program coordinator.

**Figure 3. Procurements by project delivery method for contracts awarded calendar years 2023 and 2024.**



SOURCE: Auditor analysis of e-procurement system solicitations for contracts awarded or substantially completed during 2023 and 2024.



## FINDINGS AND ANALYSIS

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### 1. Stronger controls over delegated procurements are needed to ensure compliance and transparency, and to align with those adopted by Purchasing.

Our review found that T&I processes need to be better aligned with those adopted by the Purchasing department and internal procedures to demonstrate compliance with procurement requirements need to be improved. Specifically, stronger controls are needed, including providing adequate procurement oversight, ensuring selection committees are free from potential bias and conflicts of interest, and final selections are supported by an evaluation process that meets city and state requirements. Moreover, fully utilizing the e-procurement system adopted by the Purchasing department would improve transparency and efficiency of procurement processes.

#### **Delegation of Procurement Authority –**

Since the 2008 Procurement Code revision, procurement authority for the design and construction services using alternative delivery methods has been delegated by the Purchasing Director to the Capital Project Management (CPM) department through the Public Works Executive Director or designee (*now reorganized as Transportation and Infrastructure*).

#### **A. Appropriate management oversight and more comprehensive policies, procedures, and checklists, are needed to ensure procurements are properly managed.**

Written internal procedures for managing procurements are in draft form and require further development, including the establishment of monitoring controls that help ensure compliance with procurement requirements.

##### **1. Separation of duties and responsibilities for review and approval of procurements need to be established.**

T&I procurement activities are performed by the project managers (PM) and the project management assistants (PMA). The PMA performs the bulk of the procurement activities and the PM primarily performs contract administration activities. However, according to the department, neither of these positions is considered a procurement agent, responsible for managing the procurement process. As a result, clarifications are needed regarding who is responsible for day-to-day oversight of these activities and approval of procurement decisions. In establishing these responsibilities, appropriate separation of duties needs to be considered. For example, the contract administrator involved in selecting the contractor and authorizing payment should not also provide direction or oversight of the procurement function.

Management oversight is needed in the following areas:

- a) Approval of the procurement method and authorization to initiate procurement – T&I solicitation requests and related information are submitted by the PMA to Purchasing and may also be reviewed by the PM, but department procedures do not require approval at the pre-solicitation phase. Because procurement authority is delegated to T&I, Purchasing does not review or approve these.
- b) Approval of solicitation prior to publication – The PM, as the contract administrator, is responsible for drafting the solicitation requirements using template documents.

Though the PMA reviews it for completeness, the PM authorizes posting of their own solicitation.

- c) Review and approval of the final contractor selection or other procurement decisions – To ensure that the procurement has complied with established procedures and legal requirements, final review and approval of the outcome or award recommendation and its supporting documentation should be conducted by the designated responsible individual. Final contracts require the signature of the Senior Director of T&I before going to Council for approval, but clarifications are needed on whether this position is also responsible for review and approval of procurement activities.

**2. Comprehensive policies and procedures are needed to guide the procurement process and allow monitoring of compliance.**

T&I's Project Management Guide has traditionally been the procedural manual for contract administration. In FY 2024/25, the department began updating the Guide and converted it to a digital version. Within the digital version, the department now keeps a "Solicitations" folder. This folder contains template documents and a presentation deck created by the PMAs with information on the RFQ process and the tasks that should be completed by the PMs and the PMAs. A similar list of responsibilities was created for each position in a one-page document. This responsibility breakdown between the two positions provides clarity to staff on who is responsible for certain tasks, but it does not include detailed procedures on how to complete the tasks or documentation requirements over key procurement processes.

As a result, we found inconsistencies in documentation and record keeping that could hinder the department's ability to demonstrate compliance with procurement laws and regulations. These inconsistencies could be attributed, in part, to the absence of comprehensive written procedures—an essential component of effective governance. As the department is updating and expanding its internal operating procedures, documentation requirements and monitoring tools, such as comprehensive checklists need to be developed to ensure that processes are followed and documented. From our file review of 15 procurements that were awarded or substantially completed in 2023 and 2024 we noted key areas with documentation gaps as detailed in Table 1, on page 10. Examples include gaps in documentation of submission requirements, legal and risk reviews, and advertisements:

- **Inadequate documentation of submittal dates, lack of formal opening procedures and documentation of submittal review increased the risk of disputes and undermines process transparency.**

To ensure fair and open competition, all responses to formal solicitations must be received by the posted deadline. If required forms/information are not submitted, or are submitted after the due date/time, the submittal is considered nonresponsive and cannot be considered for evaluation or award. For 5 of the 8 T&I solicitations reviewed, we were unable to verify when all responses were received. RFQ responses were received thru email and the original email files were often not retained. Further, the department has not established policies regarding accessing or opening the RFQ responses prior to the submittal deadline, increasing the risk that information may be viewed and shared before the solicitation closing or impact the perceived fairness of the procurement. Ensuring only responses meeting the posted deadlines are

considered and restricting access to the responses until the solicitation close promotes equitable competition for all respondents.

According to the department, in August 2024 T&I began accepting submissions through the e-procurement system. However, we found that some submissions were still being received outside of the system and uploaded by staff, rather than requiring firms to upload their submissions directly to the system. Receiving and recording submissions through the system maintains the integrity of the original submissions and controls access to the files to prevent them from being viewed prior to the solicitation close.

- **Legal and Risk reviews of draft solicitations prior to advertisement are not consistently completed.**

Draft solicitation documents are typically reviewed by the Contract Administrator (project manager), Risk Management, and Legal to ensure terminology addresses legal requirements and potential risks to the city, including insurance provisions. While final negotiated contracts are signed by representatives from these departments, terms should not be substantially changed from those presented in the RFQ because that may influence a firm's decision to respond. As a result, construction solicitations generally use pre-approved template language. Any unique project considerations should be reviewed by Risk Management to ensure appropriate insurance coverage is required.

Our file review found that because this process was primarily managed through emails, documentation was not consistently retained across the various project files in our sample. Though Purchasing has an internal checklist that requires these reviews, we noted that some review forms were not fully completed. T&I has not developed a formal checklist and staff indicated that Risk Management's review and approval was requested through email but often a response was not obtained prior to issuing the solicitation.

- **Legally required advertisement of requests for qualifications were not consistently documented to demonstrate legal compliance.**

ARS Title 34 and Procurement Code require that notice of a construction solicitation be published in a newspaper providing, among other items, details on where full information as to the proposed work may be obtained. However, documentation of the newspaper advertisement was not maintained for 2 of the 8 projects managed by Transportation and Infrastructure.

Notice shall be published by advertising in a newspaper of general circulation for two consecutive publications in a weekly newspaper or two publications that are between 6 and 10 days apart in a daily newspaper.

SOURCE: Summary of Arizona Revised Statutes § 34-201 (A).

## **B. Selection committee panel members are not required to sign non-conflict of interest statements and evaluation records were not properly maintained.**

Awards for alternative delivery method construction contracts are decided based on the recommendation of a selection committee. To ensure a fair evaluation process and comply with city ethics policies, selection committee members should be free of potential bias or conflicts of interest in relation to the services solicited or the firms that will be evaluated. Additionally, Title

34 requires certain subject matter expertise within the selection committees where selection is primarily qualifications-based. By requiring evaluators to affirm their impartiality and documenting the selection committee's composition, T&I can enhance the credibility and integrity of its procurement procedures. Furthermore, establishing comprehensive and transparent documentation practices is essential to ensure that the evaluation process adheres to ethical and legal standards.

**1. T&I's Panel Member Agreement does not require evaluators to certify that they do not have potential conflicts of interest when participating in the selection committee.**

The Agreement form details panel member responsibilities, including maintaining confidentiality by not sharing or discussing their scoring or other evaluation details with the contractors, consultants, suppliers, or other panel members involved in the procurement. It also prohibits the panel member from being a bidder, contractor, subcontractor, supplier, or other service provider under the awarded contract. Although the agreement states that the panel member may be dismissed by the City Engineer due to conflict of interest, it does not ask the panel member to self-certify that they do not have any potential conflicts of interest or perceived biases, such as financial interests or personal relationships, in relation to the project or any of the firms to be evaluated.

Evaluators are not all city employees (see textbox on page 9), and requiring all panel members, including city employees, to affirm that they do not have any potential or perceived conflicts provides stronger assurance that they completed a self-assessment and disclosure.

The Purchasing Department requires its selection committee members to sign a *Confidentiality & Non-Conflict of Interest Statement* that asks each evaluator to certify non-conflict of interest as shown in the textbox below.

**Purchasing Department, Confidentiality & Non-Conflict of Interest Statement:**

*...After reviewing the list naming the Offerors who submitted, including any identified subcontractors, I hereby certify that I have no financial or material personal interest and no employee, agency, or contractual relationship with any Offeror under consideration by the Evaluation Committee in regard to the solicitation referenced above. I further certify that no other relationship with or bias toward any Offeror exists which will prevent me from evaluating any submittal solely on its own merits.*

**2. Evaluation records were not consistently maintained to support final selections.**

Documenting the selection process is essential for demonstrating that ethical and legal requirements were met. For the procurements we reviewed, some records were not available:

- **Some panel member agreements were missing** – For 4 of the 8 solicitations reviewed, one or more signed panel member agreements could not be located. Additionally, some of the agreements we reviewed were found in staff email accounts, rather than the records management system.

- **Composition of the selection committee is not always evidenced within project files** – Panel member qualifications were generally not indicated in the evaluation records to demonstrate compliance with ARS Title 34 provisions for the composition of the selection committees, as shown in the textbox. Additionally, for 1 of the 8 projects reviewed, T&I files did not contain records clearly identifying the selection committee.

T&I selection committees typically include 4 to 5 members. Aside from the employee of a licensed contractor, other committee members may consist of T&I staff, the design consultant, and/or representatives from client departments. Except for JOC procurements, the Project Manager/Contract Administrator was part of the selection committee. While the Purchasing department has additional committee composition guidelines, T&I has not adopted those guidelines.

- **Individual evaluations to support final scoring summaries were not properly documented** – For 3 of the 8 solicitations reviewed, individual evaluation scores were not available to support the accuracy of the combined scoring. In one of these, there was also no combined scoring, only the final ranking (for a JOC solicitation where two responses were received and both were awarded contracts).

### 3. **Managing the evaluation process within the e-procurement system would allow system controls to enforce requirements and automate documentation.**

T&I currently manages the evaluation process outside of the e-procurement system. Evaluators are emailed the solicitation files and evaluation forms are emailed back to the assigned PMA. While T&I's policy is to centrally maintain project documentation in the City's records management system, our file review found that records were often only retained in the T&I staff emails, resulting in record retention issues due to staff turnover or deleted emails. The Purchasing department uses the e-procurement system to:

- register evaluators,
- share documents,
- obtain conflict of interest and non-disclosure declarations,
- record each evaluator's scores,
- and document final results.

The system generates records of the evaluation process to help demonstrate that procurement rules were followed. It also allows the department to restrict access to confidential documents.

According to T&I, limited functionality for awarding contracts based on ranking rather than evaluation scores has prevented them from using the system. Our review of the system capabilities indicates that it now has a "Rank analysis" feature that could be used to meet the department's needs. Alternatively, while the final selection could be documented

#### **Selection Committees for Alternative Delivery Construction Procurements**

ARS Title 34 requires that the committee include at least one:

- Employee or representative of the procuring agency,
- Senior management employee of a licensed contractor, and
- Architect or an engineer.

SOURCE: Auditor summary of ARS Title 34, Chapter 6.

separately by the department until this system process is resolved, to address recordkeeping issues, select functions such as sharing submittal files with evaluators and obtaining conflict of interest and non-disclosure declarations could be improved by using the system.

**Table 1. File reviews show missing documentation for delegated procurements.**

	Documentation maintained		Notes
	RFQ (T&I)	IFB (Purchasing)	
Management Approval of Solicitation Request Forms & Draft Solicitation	Not documented See note	100%	T&I: Approvals were not required.
Draft Solicitation: Reviewed and approved by Contract Administrator	63%	100%	T&I: Documentation of review/approval was not available and/or not maintained.
Draft Solicitation: Reviewed and approved by Risk	13%	86%	T&I & Purchasing: Documentation of review/approval was not available and/or not maintained.
Draft Solicitation: Reviewed and approved by Legal	63%	86%	T&I & Purchasing: Documentation of review/approval was not available and/or not maintained.
Advertised in accordance with ARS	75%	100%	T&I: Evidence of newspaper advertisement missing for 2 of 8 solicitations.
Submittals included required components	Not documented See Note	100%	T&I: Audit Staff did not note any issues with contractors meeting submittal requirements, however no checklists or other documentation available to demonstrate review by the department. Purchasing: uses a worksheet to document review of submittals.
Submittal deadlines were enforced	50%	100%	T&I: Unable to confirm date/time submittals were received for 4 of 8 solicitations. Purchasing: Uses the e-procurement system for submissions and documents bid tabulation at bid opening
Selection Committee conforms with ARS requirements	Not documented See Note	n/a	T&I: Department lacks procedures to document that committee composition met requirements. For some procurements, Auditors were unable to confirm committee composition conforms with ARS, and for 1 of 8 the committee members were not clearly identified.
Signed Panel Member Agreements	50%	n/a	T&I: Signed Agreement Forms not available for some or all committee members for 4 of 8 solicitations.
Support for scoring and final selection	63%	n/a	T&I: Raw evaluation scores were not maintained for 3 of 8 solicitations, with 1 also lacking combined scoring.
Notifications completed in accordance with Procurement Code & ARS	100%	100%	Council agenda publication served as notice to the public of Intent to Award.

SOURCE: Auditor analysis based on review of procurement code, department policies and procedures, personnel interviews, and review of documentation.

**C. Procurement delegation needs to be updated to reflect the correct assignment of responsibility.**

While the delegation of procurement authority has been in place as far back as the 2008 Procurement Code, since early 2025 the position of Public Works Executive Director no longer exists, and the department name and organizational structure has changed. The delegation of authority needs to be updated to more specifically identify the responsible position.

Additionally, when evaluating the delegation of authority, roles and responsibilities between the Purchasing department and T&I need clarification to ensure procurement processes and controls are adequately covered. As T&I updates internal procedures, these should be reviewed by the Purchasing department to ensure that they align with Procurement Code and best practices in public procurement.

**Recommendations:**

The Senior Director of Transportation & Infrastructure should:

- 1.1 Establish policies and procedures for documented review and approval of key procurement processes, including approval to initiate the solicitation process, authorization to publish a solicitation, and review of evaluation results and final recommendation for award. Responsibilities should be assigned with consideration for appropriate separation of duties and procurement training and experience.
- 1.2 Require all selection committee members to certify non-conflict of interest for each solicitation, including the date of their acknowledgement. Additionally, document compliance with Title 34 selection committee member criteria.
- 1.3 Direct staff to use the e-procurement system to manage solicitation submissions and evaluations, including receiving submissions, registering evaluators, obtaining conflict of interest and non-disclosure declarations, and sharing submissions with evaluators. Further explore options for scoring and ranking evaluations within the system and ensure supporting documentation for evaluation results are adequately maintained.
- 1.4 Develop standard operating procedures for procurement processes, including tools and checklists to guide staff and monitor compliance with city and legal requirements.

The Purchasing Director should:

- 1.5 Work with T&I to update Procurement Code delegation of authority and clarify responsibilities between the two departments. When evaluating the level of delegation and potential Purchasing oversight needed, the Director should consider whether T&I policies and procedures align with Procurement Code and appropriate controls have been established.
- 1.6 Ensure that contract administrator, risk, and legal reviews of the draft solicitation are documented and internal checklists, or similar monitoring processes, are completed.



## 2. For alternative delivery method construction, options to further incorporate construction pricing into the contracting process should be evaluated.

ARS Title 34 establishes specific provisions for the procurement of alternative delivery method construction. One key provision is that the final list of candidates must be selected based on qualifications only before negotiating for compensation with the top firm. T&I's practices meet these requirements but only preconstruction services fees for CMAR and DB projects are negotiated during the procurement process. Fees and pricing for construction services are negotiated in a second contract, after the design and preconstruction phase have been completed. JOC fees are not negotiated during procurement but approved on a job order basis. To maximize negotiating leverage, streamline cost proposals, and improve contract transparency, certain rates and fees can be negotiated before awarding a contract.

### A. Pricing terms are not stipulated in JOC contracts, losing efficiencies gained by using a JOC approach.

The City's JOC master contracts establish the maximum amount that can be awarded for individual job orders and total annual contract awards, but do not contain terms regarding pre-determined fees or pricing. Instead, contractor fees and construction costs are negotiated for individual job orders. Project Managers request a cost proposal from one of the JOC's contractors and approves or negotiates the price, including contractor's fee for overhead and profit. If an agreement on the price cannot be reached, the Project Manager may request a proposal from another approved JOC contractor. Competing quotes are not obtained based on department policy.

However, one of the benefits of using JOC contracts is simplifying the process of obtaining construction quotes by adopting pre-determined pricing for minor and/or routine construction projects. Examples of how this is commonly implemented in the construction industry include:

1. Adopting a unit price book (UPB) – The construction owner may adopt an industry price book, such as those published by RS Means, or develop its own price book for the services that will be acquired. Contract negotiations would determine the contractor's markup for indirect costs, overhead, and profit (known as the coefficient or adjustment factor).
2. Open book pricing – Cost proposals are based on subcontractor quotes and reimbursable costs, with a pre-negotiated markup for the JOC contractor's indirect costs, overhead, and profit.

**Unit Price Book** – Catalog of pre-priced construction tasks/items, including labor, materials, equipment and demolition.

**Adjustment Factor** – Set percentage that is applied to the unit price to cover contractor fee and overhead.

SOURCE: Summary from ADOA 2022 JOC RFQ and Gordian JOC resources.

As an example, the State's RFQ for Job Order Contracting establishes that their Construction Task catalog will be used (i.e. a unit price book), and each contractor on the final list is to submit adjustment factors based on the unit prices from the catalog before entering into negotiations.

**Two-step procurement option for JOC** – ARS Title 34 also provides another option for incorporating pricing into the selection process by adding a second step to the selection process. The procuring agency may request technical proposals that include pricing from the



final list of qualified firms. This is potentially a lengthier process but conducted in lieu of pricing negotiations.

**B. Negotiation of construction rates and fees during the procurement phase for CMAR and DB projects could improve negotiating leverage, efficiency, and consistency across projects.**

For CMAR and DB procurements, contracts are awarded in two stages: preconstruction and construction. A CMAR preconstruction contract is often issued during the design phase to obtain constructability reviews, cost estimating, and value engineering, while the DB preconstruction contract includes design services and is issued before the design phase.

At the conclusion of the contractor selection process, only the preconstruction fee is negotiated. Construction fees are negotiated with the overall construction cost proposal in the construction contract, at the completion of preconstruction services. Although the project team has the option to reject the proposal and hire a different contractor, this course of action may be considered exceptional by staff due to potential loss of time and money. Negotiating fees and rates before awarding a contract could improve the city's negotiating leverage. Examples of fees and pricing terms that could be negotiated when finalizing the contractor selection:

- Construction Fee – A negotiated amount that is intended to cover the contractor's overhead and profit. In the projects we reviewed, Fees varied from about 6% to 10% of the total cost. The construction fee may range due to the type or complexity of the project.
- Labor burden – This is a percentage added to hourly labor rates that represents employee-related costs such as payroll taxes, health and retirement benefits, paid leave, training, and other fringe benefits. Terms such as setting a not-to exceed labor burden limit or detailing allowable and unallowable costs (e.g. bonuses, discretionary perks) methods can be negotiated in advance.
- Contractor-provided equipment rentals – For equipment that is owned by the contractor and charged by the hour to the project, terms related to how rates are determined/calculated and maximum charges could be negotiated. As an example, terms could be established limiting total charges to less than the cost of purchasing the equipment.
- Change order fees and rates – The contractor's fee and other indirect cost rates that may be charged in potential change orders can also be pre-negotiated.

**C. Other procurement methods may be adopted for lower-dollar construction contracts to simplify the procurement process and maximize price competition.**

For construction services below established dollar thresholds, ARS Title 34 allows flexibility to obtain services without advertising for bids. Adjusted to 2025 values, ARS § 34-201 sets the following thresholds based on construction type:

- For buildings, structures, additions or alterations, the adjusted limit is approximately \$27,000.
- For streets, roads, bridges, water or sewer work (excluding treatment plants or buildings), parks and recreation construction, the adjusted limit is approximately \$288,000.

As an example, the Arizona state procurement code adopts a simplified construction procurement program for construction that does not exceed \$100,000 and encourages competition to the maximum extent possible (ARS §41-2535).

The city's Procurement Code requires procurements of over \$50,000 to use formal procurement methods (Invitation for Bids, Request for Proposals, and Request for Qualifications). Adopting a simplified procurement method for construction contracts within the ARS limits could allow the City to streamline procurements while still maximizing price competition.

### **Recommendations:**

The Senior Director of Transportation and Infrastructure should:

- 2.1 Incorporate pricing terms and fee negotiation into the JOC contracting process, such as adopting unit price books or open book pricing and negotiating an adjustment factor for contractor overhead and profit.
- 2.2 Evaluate options for establishing a standardized process for negotiating construction fees and pricing terms during initial contract negotiations for CMAR and DB construction projects.
- 2.3 Work with the Purchasing department to assess whether a simplified procurement method to expedite the procurement process and encourage price competition could be adopted for smaller construction projects, as permitted by ARS.

## **3. Opportunities exist for strengthening certain contract terms and procurement policies.**

Contract safety provisions need updates, including site-specific safety plans to address project risks. Also, some JOC contracts have high project limits, affecting cost management and competition. Additionally, consistent procedures for posting intent-to-award notices are required to allow sufficient time for protests.

### **A. Updates to contract safety provisions are needed, including requiring a site-specific safety plan to address project risks.**

Terms within contract templates address general requirements around project safety and references the City's Safety and Health Plan. However, the contract does not specifically require the contractor to provide a site-specific safety plan. According to T&I, contractors typically have a safety plan; however, the department does not require the safety plan to be submitted.

Requiring the contractor to develop such a plan would enhance jobsite safety and reduce liability exposure. According to the Risk Management department, site-specific risks, such as appropriate signage, need to be further addressed to mitigate risk exposure.

Additionally, the City Safety and Health Plan section on Construction Contractor Safety states that the contractor's safety record should be included as part of the contractor selection criteria for evaluation. However, that has not been included in the RFQ requirements or evaluation criteria.

**B. JOC contracts are intended to facilitate procurement for smaller projects, but some JOC contracts allowed high per-project limits.**

According to the Center for JOC Excellence, a national association that sets standards for JOC management, job order contracting is best suited for minor or routine construction jobs, typically less than \$1 million. Such projects are more efficiently managed through pre-negotiated pricing and use of unit price books. As noted in Finding 2, T&I has not incorporated pre-negotiated pricing into its JOC contracts.

Each discipline may have from 1 to 5 active contracts, and average contract limits range from \$2 to \$7.5 million per year. As shown in Table 2 below, JOC contract limits vary by discipline, and some authorize individual project limits of up to \$5 million per job order. We analyzed job order costs from July 2020 through September 2025 and found that most JOC construction job orders were under \$500,000; however about 10.2% exceeded \$1,000,000, and of that, 2.3% exceeded \$2,000,000.

**Table 2. JOC individual Job Order limits have increased over the past 5 years (July 2020 thru Sep 2025).**

JOC Discipline	Total JO Amts Issued	Total No. JO's	Largest JO Issued	Individual JO Limit in 2020	Individual JO Limit in 2025
Water Treatment	50,706,893	130	3,715,870	2,000,000	5,000,000
Vertical Construction	27,715,976	89	2,796,817	3,500,000	5,000,000
Water Infrastructure	25,592,705	31	3,926,125	4,000,000	5,000,000
Civil Site	23,012,091	50	3,647,062	1,500,000	4,000,000
Pool Construction	4,566,816	22	1,374,800	1,500,000	3,000,000
Field Lighting	3,330,541	5	1,050,000	2,500,000	2,500,000
Landscaping	11,131,215	50	1,125,799	1,500,000	2,000,000
Civil Electrical	3,331,315	22	1,342,725	1,000,000	2,000,000
Building Electrical	5,446,422	39	985,833	1,000,000	1,500,000
Mechanical	4,218,796	22	1,459,974	1,500,000	1,500,000
Preserve Trails	1,337,288	12	297,730	1,500,000	1,500,000
Preserve Vegetation Mgmt	725,958	5	395,502	n/a	1,500,000
Vegetation Mgmt/ Fire Fuel Reduc	549,686	2	518,801	n/a	1,500,000
Preserve Signs	119,163	2	113,372	n/a	1,500,000
Preserve Metals	29,710	1	29,710	n/a	1,500,000
Water Electrical	2,689,276	12	835,219	1,000,000	1,000,000
Sports Surfaces	1,557,559	16	465,766	2,500,000	1,000,000
Sewer Rehab	153,041	1	153,041	1,500,000	n/a
Underground Storage Tanks	37,005	1	37,005	1,500,000	n/a
	<b>Total:</b>	<b>Total:</b>	<b>Average:</b>	<b>Median:</b>	<b>Median:</b>
	<b>\$166,251,454</b>	<b>512</b>	<b>\$1,277,429</b>	<b>\$1,500,000</b>	<b>\$1,500,000</b>

Source: Auditor analysis of JOC Contract tracking spreadsheet maintained by the Program Coordinator for job orders costs between July 1, 2020, and September 9, 2025.

However, scaling JOC programs for larger projects requires more project oversight and additional controls over cost management and verification. A structured approach to determining which projects are appropriate for JOC and establishing procedures to ensure fair pricing are essential.

Combined with the lack of contract negotiated pricing or use of unit price books, high job order project limits reduces contractor competition and increases risk of paying higher construction costs.

**C. Consistent procedures for notification of intent to award need to be applied for all procurements, including posting notices to the e-procurement website and providing additional notice for potential protests.**

The city's protest policy is outlined in Sec. 2-213 of Procurement Code and allows for protest of a solicitation prior to award of a contract within 10 days after the facts are known or should have been known by the protestor. For Council-awarded contracts, the publication of the Council agenda 10 days before the Council meeting to approve the contract serves as notice of intent to award (NOITA). In addition to the published Council meeting agenda, the Purchasing department posts a notice to the solicitation on the e-procurement website to ensure all interested parties are notified. However, T&I does not post a notice on the website, and the inconsistency may cause confusion for those that are looking for the notice. Additionally, specific items on Council agendas are not as easy to find as a notice posted to the solicitation.

Purchasing's practice is to post the notice as soon as practicable, preferably before the Council agenda is posted. In most cases, Purchasing posted notice 3 to 6 weeks prior to the Council meeting, to initiate the protest period and allow additional time to remove the contract from Council consideration if protests need to be evaluated. We found exceptions in 2 of 7 solicitation they managed, where the notice was not posted according to Purchasing's internal policy (1 was published 5 days before Council approval and 1 published after Council approval).

T&I does not have a similar policy to provide additional notification and adopting Purchasing's notification procedures would enhance transparency to award notices and allow protests to be evaluated before Council's consideration of the contract award.

**Recommendations:**

The Senior Director of Transportation and Infrastructure should:

- 3.1 Work with the City Attorney's Office and Risk Management to incorporate standard construction contract terms requiring contractors to submit a site-specific safety plan, including guidelines for content and format and establishing whether components of the plan require Risk Management review.
- 3.2 Assess existing processes to address risks related to applying JOC to larger projects.
- 3.3 Adopt Purchasing's notification procedures for Intent to Award to provide adequate public notice to ensure potential protests are received and reviewed prior to Council's consideration of the contract award.

The Purchasing Director should:

- 3.4 Strengthen oversight to ensure that internal policies for posting public notices are consistently followed. This may include staff training or implementing periodic compliance reviews to verify that all required notices are posted timely.

## METHODOLOGY

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To accomplish our objectives, we performed the following:

- Interviewed Purchasing, T&I, and other department staff involved in the procurement of construction services to gain an understanding of procurement processes and objectives.
- Gained an understanding of relevant laws, regulations, and policies/procedures, agreements and best practices, including:
  1. ARS Title 34 – Public Buildings and Improvements, and ARS Title 41 Chapter 23 – Arizona Procurement Code.
  2. City of Scottsdale Procurement Code, effective May 10, 2023.
  3. City Administrative Regulation 214: Purchasing Requirements, Methods, and Procedures and AR 215: Contract Administration.
  4. Internal procedures maintained by T&I, including the digital Project Management Guide and an early draft copy of the PMA Training Manual.
  5. State and other local government procurement policies.
  6. Reviewed best practices related to solicitation of construction services, including Gordian, Center for JOC Excellence, the National Institute for Public Procurement, and the American Institute of Architects.
- Compiled and analyzed construction procurement data from the e-procurement system and financial system reports.
- Reviewed documentation for a sample of 15 solicitations that were awarded or substantially completed during calendar years 2023 and 2024.
- Reviewed procurement templates for solicitations, contracts and panel member agreements, comparing the requirements to laws and regulations and industry best practices.
- Analyzed Job Order tracking data maintained by the T&I Program Coordinator for JOC contracts from July 2020 through September 2025.

### Audit Standards

We conducted this performance audit in accordance with generally accepted government auditing 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. Audit work took place from March to October 2025.

## MANAGEMENT ACTION PLAN

### 1. Stronger controls over delegated procurements are needed to ensure compliance and transparency, and to align with those adopted by Purchasing.

The Senior Director of Transportation & Infrastructure should:

#### Recommendation

- 1.1 Establish policies and procedures for documented review and approval of key procurement processes, including approval to initiate the solicitation process, authorization to publish a solicitation, and review of evaluation results and final recommendation for award. Responsibilities should be assigned with consideration for appropriate separation of duties and procurement training and experience.

Priority	Management Response and Proposed Resolution	
High	Agree. Project engineering will continue to comply with the ARS Title 34 for review of evaluation results and final recommendation of award. Updated guidance reflecting the new project engineering organizational structure will be included in the digital project management guide for the approval to initiate the solicitation process and authorization to publish a solicitation.  Project Engineering will work with purchasing for additional training opportunities.	
Responsible Party: Thyra Ryden-Diaz, Senior Manager – Project Engineering		Est. Completion Date: March 31, 2026

#### Recommendation

- 1.2 Require all selection committee members to certify non-conflict of interest for each solicitation, including the date of their acknowledgement. Additionally, document compliance with Title 34 selection committee member criteria.

Priority	Management Response and Proposed Resolution	
High	Agree. Will continue with current panel agreement with signature date prior to solicitation and utilize the Bonfire procurement system for non-conflict during solicitation review pending confirmation from the Purchasing department that ranked review has been tested and is operational. Will document the panel members meet the title 34 panel requirements with a panel form in Bonfire.	
Responsible Party: Thyra Ryden-Diaz, Senior Manager – Project Engineering		Est. Completion Date: March 31, 2026

**Recommendation**

1.3 Direct staff to use the e-procurement system to manage solicitation submission and evaluations, including receiving submissions, registering evaluators, obtaining conflict of interest and non-disclosure declarations, and sharing submissions with evaluators. Further explore options for scoring and ranking evaluations within the system and ensure supporting documentation for evaluation results are adequately maintained.

**Priority****Management Response and Proposed Resolution**

High

Agree. Project Engineering has been utilizing e-procurement system Bonfire to manage solicitation submissions since July 2024. Use of the Bonfire system for evaluations will commence when Purchasing verifies testing of the new ranked selection function newly available in Bonfire.

The no conflict of interest requirement is part of recommendation 1.2.

**Responsible Party:**

Thyra Ryden-Diaz, Senior Manager – Project Engineering

**Est. Completion Date:**

March 31, 2026

**Recommendation**

1.4 Develop standard operating procedures for procurement processes, including tools and checklists to guide staff and monitor compliance with city and legal requirements.

**Priority****Management Response and Proposed Resolution**

High

Agree. Project Engineering staff will continue the use of Bonfire for solicitations as provided by Purchasing to guide staff and monitor compliance with city and legal requirements. Project Engineering will use additional tools and checklists provided by Purchasing as needed.

**Responsible Party:**

Thyra Ryden-Diaz, Senior Manager – Project Engineering

**Est. Completion Date:**

March 31, 2026

The Purchasing Director should:

Recommendation	
1.5 Work with T&I to update Procurement Code delegation of authority and clarify responsibilities between the two departments. When evaluating the level of delegation and potential Purchasing oversight needed, the Director should consider whether T&I policies and procedures align with Procurement Code and appropriate controls have been established.	
Priority	Management Response and Proposed Resolution
Low	Agree  This recommendation will be completed in multiple steps. Purchasing will review T&I's documentation of policies and procedures to ensure alignment with Procurement code. Once review of T&I's documentation is completed, any updates to clarify delegation of authority and responsibilities will be made, if needed.
Responsible Party: Purchasing: Jenn Myers, Purchasing Director T&I: TBD	
Est. Completion Date: December 31, 2026	

Recommendation	
1.6 Ensure that contract administrator, risk, and legal reviews of the draft solicitation are documented and internal checklists, or similar monitoring processes, are completed.	
Priority	Management Response and Proposed Resolution
Low	Agree  Purchasing will conduct refresher training this fiscal year.
Responsible Party: Jenn Myers, Purchasing Director	
Est. Completion Date: June 30, 2026	

## 2. For alternative delivery method construction, options to further incorporate construction pricing into the contracting process should be evaluated.

The Senior Director of Transportation and Infrastructure should:



**Recommendation**

- 2.1 Incorporate pricing terms and fee negotiation into the JOC contracting process, such as adopting unit price books or open book pricing and negotiating an adjustment factor for contractor overhead and profit.

Priority	Management Response and Proposed Resolution	
Med	Disagree. Price books are more commonly used for maintenance projects. Most projects in our City of Scottsdale current Capital Improvement Program are not suitable for price book negotiations. Contractor overhead and profit margins are currently negotiated during the JOC contracting process.	
Responsible Party: Project Engineering		Est. Completion Date: N/A

**Recommendation**

- 2.2 Evaluate options for establishing a standardized process for negotiating construction fees and pricing terms during initial contract negotiations for CMAR and DB construction projects.

Priority	Management Response and Proposed Resolution	
Med	Agree. Will provide updated contract administrator guidance in the project manager digital guide and provide updated internal training for new staff.	
Responsible Party: Thyra Ryden-Diaz, Senior Manager – Project Engineering		Est. Completion Date: March 31, 2026

**Recommendation**

- 2.3 Work with the Purchasing department to assess whether a simplified procurement method to expedite the procurement process and encourage price competition could be adopted for smaller construction projects, as permitted by ARS.

Priority	Management Response and Proposed Resolution	
Med	Agree. Will comply with the Purchasing department direction on a simplified procurement method to expedite the procurement process and permitted by ARS.	

Responsible Party: Purchasing Department	Est. Completion Date: N/A
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### 3. Opportunities exist for strengthening certain contract terms and procurement policies.

The Senior Director of Transportation & Infrastructure should:

<b>Recommendation</b>	
3.1 Work with the City Attorney's Office and Risk Management to incorporate standard construction contract terms requiring contractors to submit a site-specific safety plan, including guidelines for content and format and establishing whether components of the plan require Risk Management review.	
Priority	Management Response and Proposed Resolution
Med	Agree. Project Engineering will use the contract terms provided by the City Attorney's office that include site-specific safety plan language as provided by Risk Management.
Responsible Party: City Attorney's Office & Risk Management	Est. Completion Date: N/A

<b>Recommendation</b>	
3.2 Assess existing processes to address risks related to applying JOC to larger projects.	
Priority	Management Response and Proposed Resolution
Med	Agree. Project Engineering will evaluate and confirm use of the JOC program for projects within the JOC allowable limits.
Responsible Party: Project Engineering	Est. Completion Date: March 31, 2026

**Recommendation**

3.3 Adopt Purchasing's notification procedures for Intent to Award to provide adequate public notice to ensure potential protests are received and reviewed prior to Council's consideration of the contract award.

**Priority****Management Response and Proposed Resolution**

Low

Agree. Project Engineering will complete the Purchasing department form for the intent to award in the Bonfire system.

**Responsible Party:**

Purchasing Department

**Est. Completion Date:**

N/A

The Purchasing Director should:

**Recommendation**

3.4 Strengthen oversight to ensure that internal policies for posting public notices are consistently followed. This may include staff training or implementing periodic compliance reviews to verify that all required notices are posted timely.

**Priority****Management Response and Proposed Resolution**

Med/Low

Agree. Purchasing will conduct refresher training this fiscal year.

**Responsible Party:**

Jenn Myers, Purchasing Director

**Est. Completion Date:**

June 30, 2026

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### **City Auditor's Office**

Lai Cluff, Acting City Auditor  
Travis Attkisson, Senior Auditor  
Elizabeth Brandt, Senior Auditor  
Mel Merrill, Senior Auditor  
Mandi Bradley, Auditor  
Shelby Trimaloff, Exec Asst to City Auditor

### **Audit Committee**

Councilman Barry Graham  
Councilwoman Maryann McAllen, Chair  
Councilwoman Solange Whitehead

### **Our Mission**

*The City Auditor's Office conducts audits to promote operational efficiency, effectiveness, accountability and integrity in City Operations.*

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