



# Consultant Contract Management

## Audit

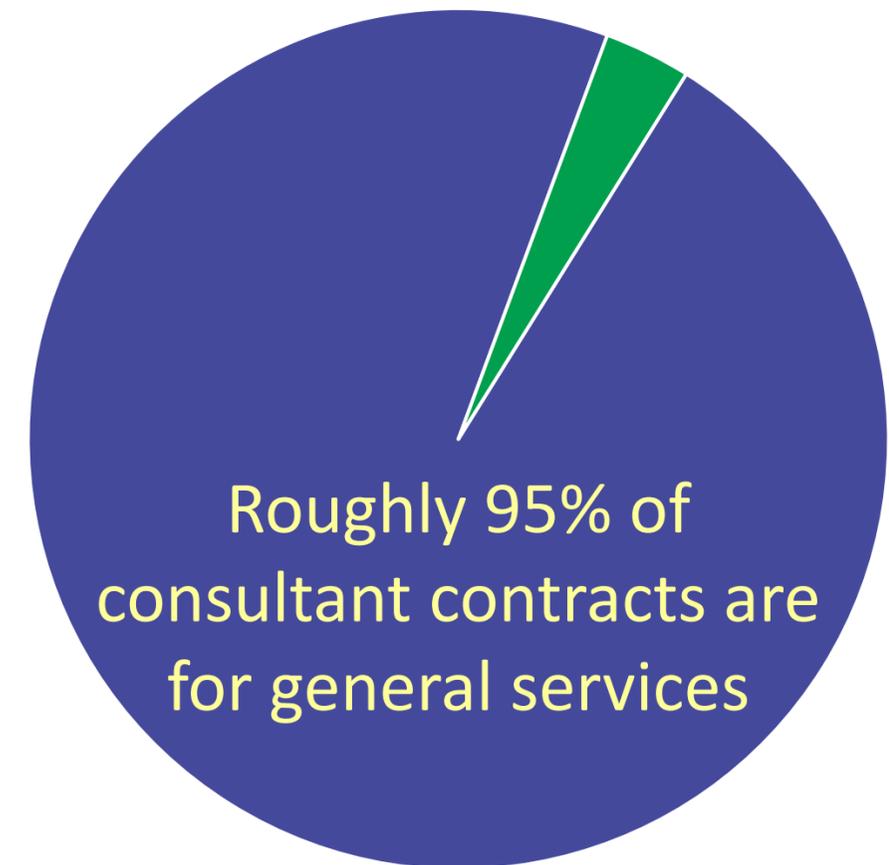
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Austin City Auditor's Office | March 2026



# During Fiscal Years 2023 – 2025, the City spent over \$279M on Consultants

- Both General Services and Professional Services
- Used by virtually all City departments
- Involve many stakeholders





# Finding 1:

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The City may not be able to show why consultant services were needed or how they were used.



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- 9 (32%) lacked a needs assessments

DRAFT



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- 23 (82%) did not have a formal evaluation showing why the work could not be done by City staff
- Staff overseeing 2 (7%) did not know where documentation might be



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- Assist in onboarding and training
- Assist in financing of public facilities
- Assist in development of program activities



# Finding 2:

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Departments do not consistently evaluate the performance of consultants



**18 (64%) of the contracts did not include a formal performance appraisal.**

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**Staff responding to 2 (7%) of the contracts did not know if they had one.**



# Completed evaluations were not always accurate.

**Survey Question:** Did the Department receive the contracted deliverables?

**Response:** Partially.



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**Survey Question: Did the Department receive the contracted deliverables?**  
**Response: Partially.**

Contract Closeout Checklist					
Project Name	Project/Contract Reference Number	Prepared By (print)	Preparer's Initials		
Customer	Contact	Contact's Phone #	Date Prepared		
Activity	Yes	N/A	No	Anticipated Date	Completed Date
1. All products or services required were provided to the buyer.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>		9/21/2024
2. Documentation adequately shows receipt and formal acceptance of all contract items.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>		09/21/2024
3. No claims or investigations are pending on this contract.	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>		09/21/2024
4. Any buyer-furnished property or information was returned to the buyer.	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>		
5. All actions related to contract price revisions and changes are concluded.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>		9/21/2024
6. All outstanding subcontracting issues are settled.	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>		09/21/2024
7. If a partial or complete termination was involved, action is complete.	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>		
8. Any required contract audit is now complete.	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>		
9. The final invoice was submitted and paid.	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>		09/21/2024
10. Outstanding balances de-obligated	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	12/31/2025	



# Additional Observation

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One contract for  
over \$240,000  
referenced the  
wrong contractor.



# Recommendations :

The Director of Austin Financial Services should:



- Provide clear guidance to departments on how to conduct a needs assessment



- Work with the City Manager to ensure departments maintain deliverables and essential documentation



- Require performance evaluations and lessons learned for all consultant contracts and determine how they will be used in future hiring decisions