June 24, 2026

Performance Audit

CenturyLink Franchise Fees Compliance Audit

Finance & Administrative Services Department

Report No. 24-102

CITY OF ALBUQUERQUE
OFFICE OF INTERNAL AUDIT

City of Albuquerque - Office of Internal Audit

CentryLink Franchise Fees Compliance Audit

Performance Audit | June 24, 2026 | Audit #24-102

Background

CenturyLink, formerly U.S. West Communications, entered into a franchise agreement with the City of Albuquerque in 1992 to use City rights-of-way for telecommunications infrastructure. The agreement requires CenturyLink to remit franchise fees equal to 2% of gross revenues from local exchange telephone services within the City on a quarterly basis. The Finance & Administrative Services Department (DFAS) Treasury Division is responsible for collecting, monitoring, and reconciling these revenues.

What We Found

OIA found that DFAS had not fully enforced compliance with CenturyLink's franchise fee agreement requirements. Specifically, OIA identified discrepancies between the franchise agreement, franchise fee remittances, and customer billing statements.

CenturyLink remitted franchise fee payments to the City using a 1% rate on a monthly basis, although the franchise agreement requires a 2% rate remitted quarterly. OIA also found that sampled customer billing statements reflected an approximate 3% franchise fee rate, while CenturyLink remitted 1% to the City. In addition, OIA identified $2,395 in franchise fees remitted for the Albuquerque Indian School Property/19 Pueblos District jurisdiction; however, OIA could not locate documentation supporting the City's authority to assess or collect franchise fees for that jurisdiction.

Why We Did This Audit

The Office of Internal Audit (OIA) conducted a performance audit of the franchise fee revenue agreement between CenturyLink and the City of Albuquerque, as managed by the Finance & Administrative Service Department (DFAS). The audit was included in the fiscal year 2024 approved audit plan and was requested by the City Administration.

The audit objectives were to determine whether the following were true:

- CenturyLink paid franchise fees accurately and timely, and
- CenturyLink paid franchise fees in accordance with the agreement's terms and conditions.

The audit scope included the period of fiscal years 2022 through 2024.

Recommendations

DFAS should do the following.

- Coordinate with Legal to determine whether the City is entitled to recover additional franchise fee revenues, interest, or other amounts due.
- Determine whether customer charges exceeding the agreement rate were authorized and whether additional amounts should have been remitted to the City.
- Review and amend the franchise agreement, as appropriate, to reflect current rates, remittance frequency, payment due dates, reporting requirements, and regulatory requirements.
- Establish review procedures to verify franchise fee rates, remittance frequency, supporting documentation, and compliance with Treasury policies.
- Verify the City's authority to collect franchise fees for the Albuquerque Indian School Property/19 Pueblos District and maintain supporting documentation.
- Update Treasury's Franchise Fee Collection, Monitoring, and Reconciliation Policy to align with executed franchise agreements.

City of Albuquerque

Office of Internal Audit

June 24, 2026

Accountability in Government Oversight Committee
P.O. Box 1293
Albuquerque, New Mexico 87103

Audit: Century Link Franchise Fees Compliance Audit
Treasury/DFAS
Audit No. 24-102

INTRODUCTION

The Office of Internal Audit (OIA) conducted a compliance audit of the franchise fee revenue agreement between CenturyLink and the City of Albuquerque (City) as managed by the Finance & Administrative Services Department (DFAS). The audit was included in the fiscal year 2024 approved audit plan and requested by the City Administration.

The objectives were to determine whether the following were true:

- CenturyLink paid franchise fees accurately and timely, and
- CenturyLink paid franchise fees in accordance with the agreement's terms and conditions.

The audit scope included the period of fiscal years 2022 through 2024. Further information pertaining to the audit objectives, scope, and methodology can be found in **Appendix A**.

BACKGROUND

CenturyLink, operating at the time as U.S. West Communications, entered into a franchise agreement (Ord. 13-1992) with the City of Albuquerque (City) in 1992. U.S. West Communications was purchased by Qwest Communications in 2000 then purchased by CenturyLink in 2011.[1] CenturyLink has since been rebranded as part of Lumen Technologies in 2020.[2] Since Lumen Technologies maintains the CenturyLink branding for customer-facing operations in Albuquerque, and since current City documentation still refers to this company as CenturyLink, this audit will refer to the company as CenturyLink with the understanding that it is part of Lumen Technologies.[3] CenturyLink provides a wide variety of services including local and long-distance telephone services, internet access, and data service for customers, business, and government customers.

According to the Albuquerque Code of Ordinances §13-4-3-1, the "Grant of Authority; Duties" to CenturyLink (then U.S. West Communications),

> "There is hereby granted by the city to U.S. West Communications, its successors and assigns, hereinafter called the "company," the nonexclusive right and privilege to construct, erect, operate, and maintain, in, upon, along, across, above, over and under streets, alleys, public ways and public places now in use or dedicated, and all extensions thereof, and additions thereto, in the city, poles, wires, cables, underground conduits, manholes and other communications fixtures necessary or proper for the maintenance and operation in the city of the company's communications business; provided however, that no poles or other fixtures shall be placed where the same will interfere with sewers, electric lights, traffic control devices, water hydrants, water mains or other public improvements and shall be placed in such a manner as to cause a minimum interference with the rights or reasonable convenience of property owners who adjoin any of the streets, alleys, or public way and places."

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[1] Telecommnications History Group, "US West," < https://www.telcomhistory.org/historiesUSWest.html>, accessed June 4, 2026; Sami Lais, "Qwest, CenturyLink finalize merger, become fourth largest carrier," *Washington Technology*, < https://www.washingtontechnology.com/2011/04/qwest-centurylink-finalize-merger-become-fourth-largest-carrier/334282/>, Apr. 4, 2011, accessed June 4, 2026.

[2] Multivu, "CenturyLink Transforms, Rebrands as Lumen®," < https://www.multivu.com/players/English/8524356-centurylink-rebrands-as-lumen/>, Sept. 14, 2020, accessed June 4, 2026.

[3] Lumen Technologies, "About CenturyLink," <https://www.centurylink.com/aboutus.html>, accessed June 4, 2026; "Albuqerque, New Mexico, Internet Service Provider," <https://www.centurylink.com/local/nm/albuquerque>, accessed June 4, 2026.

Franchise Fees, Billing, and Address Mapping

Per the agreement, CenturyLink is required to pay the City franchise fees on a quarterly basis at 2%. The franchise fees are a percentage of its gross revenues from telephone service sales. CenturyLink categorizes its gross revenues into the following four jurisdictions covering the City: Albuquerque Mesa Del Sol, Albuquerque Indian School Property/19 Pueblo District, Albuquerque, and Albuquerque Windrock Town Center.

According to the Albuquerque Code of Ordinances § 13-4-3-5, the "Payment to City" to CenturyLink,

> "As a further consideration for this franchise, the company shall pay to the city an amount equal to 2% of the gross revenues, exclusive of all federal and state excise taxes, received for local exchange telephone service furnished to subscribers of the company within the city; provided, that in the event the company, at any time during the term of this franchise, is authorized by the regulatory commission having jurisdiction to bill and collect pro rata from its customers within the city the total amount of franchise fees paid by the company or any amount of franchise fees in excess of 2%, then the city and the company will renegotiate the franchise payments, and the company will pay to the city such additional amount as may be agreed upon for the remainder of the term of this franchise. Payment shall be made in quarterly installments within 60 days after the end of each calendar quarter during the term of this franchise."

CenturyLink's billing systems for the City are managed by Ensemble, Customer Records Information System (CRIS), and Carrier Access Billing System (CABS). The billing systems calculate franchise fees liability based off revenue for each applicable service. The franchise fee line item is identified by an applicable tax jurisdiction by geocode determined by the service address is identified by tax type 32 (CRIS and Ensemble) or 24 (CABS and Ensemble). The amounts are totaled and filed by a third-party CPA firm, Ernst & Young (EY). CenturyLink submits monthly franchise fee payments by mail and emails Monthly Franchise Fee Statements to the Treasury Division of DFAS.

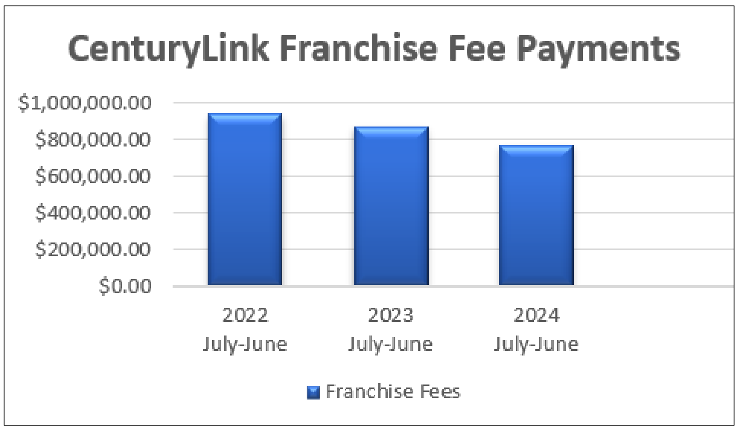
Franchise Fee Collection Procedures

The process for collecting and managing the franchise fees is performed by the Treasury Division within DFAS to ensure payments are received on time each month. The department has overarching policies and procedures in place for collecting, monitoring, and reconciling the franchise fee revenue. In addition, the department maintains a list of vendors' names, payment percent of gross revenue, and payments per year. CenturyLink-Qwest is listed at 3% monthly.

Total Franchise Fees Collected

The graph below represents all franchise fee payments remitted from July 1, 2021 through June 30, 2024. CenturyLink payments for 2022 and 2024 indicate a decline in subscribers. This trend aligns with OIA's review of franchise fee payments, which also showed a decline in 2022 and 2024.

Figure 1 -CenturyLink Franchise Fee Payments



Source: Monthly Franchise Fee Payments provided by CenturyLink to Treasury.

FINDINGS

1. <u>DFAS HAS NOT FULLY ENFORCED COMPLIANCE WITH CENTURYLINK'S FRANCHISE FEE AGREEMENT REQUIREMENTS.</u>

<u>Condition:</u>
During the time period under review, OIA evaluated compliance with the franchise agreement and related payment documentation and identified discrepancies between the franchise agreement, franchise fee remittances, customer billing statements, remittance frequency, and jurisdictional applicability of certain franchise fee revenues.

The audit reviewed all 36 franchise fee payments received from CenturyLink between July 1, 2021 through June 30, 2024, totaling approximately $2.6 million in franchise fee revenue. OIA found that CenturyLink remitted franchise fee payments using a 1% rate on a monthly basis rather than the 2% rate remitted quarterly as required by the franchise agreement. Based on OIA's recalculation using the 2% franchise fee rate specified in the agreement, the City may have received approximately $2,586,233 less in franchise fee revenue during the audit period, with an estimated related interest impact of $160,312.[4] The details are in the table below:

Figure 2 - Franchise Fees Agreement Rate Recalculation Summary

Fiscal Year	Franchise Fees Remitted (1%)	Potential Additional Franchise Fees (1%)	Total Fees at Agreement Rate (2%)	Estimated Interest Impact
2022	$944,337	$944,337	$1,888,675	$32,781
2023	$871,093	$871,093	$1,742,185	$62,012
2024	$770,803	$770,803	$1,541,606	$65,518
Total	**$2,586,233**	**$2,586,233**	**$5,172,466**	**$160,312**

To assess individual customer franchise fee charges, OIA sampled and reviewed 35 customer monthly billing statements during the same time period, totaling $6,517. OIA found that CenturyLink billing statements reflected a 3% franchise fee rate rather than the 2% rate identified in the franchise agreement. OIA could not locate documentation supporting the basis for the differing franchise fee rates reflected in customer billing statements. As a result, customers may have been charged franchise-related fees in amounts exceeding those remitted to the City.

OIA also identified that, among the 36 franchise fee payments remitted, CenturyLink remitted $2,395 in franchise fees associated with the Albuquerque Indian School Property/19 Pueblos District jurisdiction. The 19 Pueblos District is a Pueblo-governed political subdivision associated with former Albuquerque Indian School lands. OIA could not locate documentation supporting the City's authority to assess or collect franchise fees for the jurisdiction.

Criteria:

Per the franchise fee agreement between CenturyLink and the City, "the company shall pay to the city an amount equal to 2% of the gross revenues, exclusive of all federal and state excise taxes, received for local exchange telephone service furnished to subscribers of the company within the city…." The agreement further requires that franchise fee payments be remitted quarterly, as it states, "payment shall be made in quarterly installments within 60 days after the end of each calendar quarter during the term of this franchise."

[4] OIA recalculated franchise fee amounts using the 2% rate specified in the franchise agreement and compared the recalculated amounts to franchise fees remitted to the City. OIA also estimated interest impact using the applicable Wall Street Journal Prime Rate in effect at the time payments were remitted.

The agreement also provides for circumstances in which the company bills and collects franchise fees from customers in excess of 2%, stating "…in the event the company… is authorized… to bill and collect from its customers within the city the total amount of franchise fees paid by the company or an amount of franchise fees in excess of 2%, then the city and the company will renegotiate the franchise payments…."

The franchise agreement applies to revenues generated from services furnished to subscribers "within the city." City ordinances similarly define franchise authority and gross revenues in relation to telecommunications services provided within City jurisdiction.[5] The 19 Pueblos District describes itself as follows: "The 19 Pueblos District, formerly known as the Albuquerque Indian School District, is a political subdivision of the nineteen (19) New Mexico Pueblos." The District states that the Albuquerque Indian School District Charter was adopted to establish governance over "the 19 Pueblos District Lands under sovereign authority of the Pueblos"; moreover, "[w]hile in some instances, the District has adopted New Mexico or City of Albuquerque laws and ordinances, in others, the District adopted its own ordinances such as its tax ordinances."[6]

In addition to franchise agreement requirements, Treasury is responsible for monitoring and reconciling franchise fee revenues in accordance with its *Franchise Fee Collection, Monitoring, and Reconciliation Policy.* It states, "Franchise fees shall be collected in accordance with each vendor's franchise agreement and the applicable fee percentage based on gross revenues reported by each utility or telecommunications company." The policy further requires verification of reported gross revenues and fee calculations, resolution of discrepancies prior to deposit, monthly reconciliation of franchise fee payments, and documentation and reporting of non-compliance to the Legal Department.

<u>Cause:</u>
The condition occurred because existing franchise fee monitoring and oversight procedures were not operating effectively to ensure compliance with the franchise agreement and related Treasury policies. Specifically, Treasury's *Franchise Fee Collection, Monitoring, and Reconciliation Policy* reflected a 3% monthly payment structure for CenturyLink, while the franchise agreement required franchise fee payments equal to 2% of gross revenues remitted quarterly. As a result,

[5] The City's ordinance *§13-4-10-1 Public Rights-of-Way for Telecommunications Services* defines a Municipal Authority or Franchise Contract as "the right granted by the City to rent and use Public Rights-of-Way to provide Telecommunications Service within the City." The ordinance further defines public rights-of-way as public property "in which the City holds any property interest or exercises any rights of management or control." In addition, gross revenue includes revenues derived by a provider from telecommunications services offered "within the City" through or by means of a telecommunications network within the City.

[6] 19 Pueblos Disctrict, "About Us," <https://19pueblosdistrict.org/index.php/en/about-us>, accessed June 4, 2026.

Treasury relied on payment practices that differed from the executed agreement and did not identify, reconcile, or resolve discrepancies between franchise agreement requirements, franchise fee remittances, and jurisdictional applicability of franchise fee revenues.

Effect:
CenturyLink remitted franchise fee payments to the City using a 1% rate rather than the 2% rate specified in the franchise agreement and remitted payments monthly rather than quarterly as required by the agreement. As a result, the City may not have received the full amount of franchise fee revenue due under the franchise agreement, resulting in potential underpayment of approximately $2.58 million and an estimated $160,000 in lost interest.

OIA also found that CenturyLink charged customers approximately 3% in franchise fees while remitting 1% to the City. Consequently, customers may have been charged amounts exceeding those remitted to the City, and the City may not have received revenues consistent with the franchise agreement terms. In addition, the City may have collected franchise fee revenues from a jurisdiction for which OIA could not verify the City's authority to assess or collect franchise fees, creating potential legal, financial, and reputational risks. Further, the differing remittance methodology reduced transparency and limited the City’s ability to verify compliance with the franchise agreement.

RECOMMENDATIONS:

The Finance & Administrative Services Department should do the following.

1. Coordinate with the Legal Department to determine whether the City is entitled to recover additional franchise fee revenues, interest, or other amounts associated with franchise fee remittances that differed from the franchise agreement requirements.

2. Work with City Legal to determine whether franchise-related customer charges exceeding the rates identified in the franchise agreement were authorized and whether additional amounts collected should have been remitted to the City.

3. Consult with the Legal Department to review and amend the franchise agreement, as appropriate, to ensure franchise fee rates, remittance frequency, payment due dates, reporting requirements, and other contractual provisions accurately reflect current practices and regulatory requirements.

4. Establish and implement formal review procedures to periodically verify that franchise fee rates, remittance frequency, and supporting payment documentation are consistent with franchise agreement terms and applicable Treasury policies.

5. Consult with the Legal Department to verify the City's authority to assess and collect franchise fees associated with the Albuquerque Indian School Property/19 Pueblos District and ensure sufficient documentation is maintained to support franchise fee collections within applicable jurisdictions.

6. Update Treasury's *Franchise Fee Collection, Monitoring, and Reconciliation Policy* to ensure franchise fee rates, remittance frequencies, and reporting requirements are consistent with the terms of executed franchise agreements.

CONCLUSION

By implementing the recommendations detailed in this report, the City can improve its ability to effectively administer, manage, and monitor CenturyLink franchise fees. DFAS Department responses to the recommendations made are included in APPENDIX B of the report. We greatly appreciate the assistance of CenturyLink and DFAS throughout this audit as all parties made their staff and requested documents readily available.

PREPARED:

DocuSigned by:
Stacy Martin
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Stacy Martin, Staff Auditor
Office of Internal Audit

REVIEWED & APPROVED:

Signed by:
Marisa C. Vargas
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APPROVED FOR PUBLICATION:

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Esteban A. Aguilar, Jr., Esq.
Vice Chair, Acting Chair
Accountability in Government Oversight Committee

APPENDIX A

OBJECTIVE

The audit objectives were to determine whether the following were true:

- CenturyLink paid franchise fees accurately and timely, and
- CenturyLink paid franchise fees in accordance with the agreement's terms and conditions.

SCOPE AND OTHER CONSIDERATIONS

The audit scope covered the City's duties and responsibilities with regards to CenturyLink franchise fees for the period of fiscal years 2022 through 2024.

This report and its conclusions are based on information taken from a sample of financial records, systems, and users and does not represent an examination of all related financial records, systems, and users for the franchise fee payments. The audit report is based on our examination of functions and activities through the completion of fieldwork in April 2026 and does not reflect events after that date. City management is responsible for establishing and maintaining effective internal control and complying with laws and regulations.

In performance audits, a deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct (1) impairments of effectiveness or efficiency of operations, (2) misstatements in financial or performance information, or (3) noncompliance with applicable laws, regulations, standards, guidelines, and/or best practices. A deficiency in design exists when (a) a control necessary to meet the control objective is missing or (b) an existing control is not properly designed so that, even if the control operates as designed, the control objective is not met. In the performance audit requirements, the term significant is comparable to the term material as used in the context of financial statement engagements. A deficiency in operation exists when a properly designed control does not operate as designed, or when the person performing the control does not possess the necessary authority or qualifications to perform the control effectively.

Our consideration of internal control was for the limited purpose described in our audit objectives and was not designed to identify all deficiencies in internal control. Therefore, unidentified deficiencies may exist. Accordingly, we do not express an opinion on the effectiveness of Treasury/DFAS internal controls.

As part of the performance audit, we tested the DFAS and CenturyLink's compliance with applicable laws, requirements, and regulations. Noncompliance with these requirements could directly and significantly affect the objectives of our audit. However, opining on compliance with all provisions was not an objective of our performance audit, and accordingly, we do not express an opinion.

We conducted this performance audit in accordance with generally accepted government auditing standards for performance audits, as prescribed in *Government Auditing Standards*, 2024 revision, issued by the Controller General of the United States. 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. Our department is independent per the GAGAS requirements for internal auditors.

METHODOLOGY

Methodologies used to accomplish the audit objectives include but are not limited to the following.

- Interviewed management and staff regarding franchise fees procedures and processes.
- Gained an understanding of internal controls and relevant laws, and regulations relating to the franchise fees with DFAS and CenturyLink.
- For fiscal years 2022 and 2024, reviewed 20 random and 15 judgmental billing statements totaling $6,517 from July 2021, December 2021, September 2022, February 2023, January 2024, and May 2024. The review performed the following:
    - Ensured payments were made for the correct amounts,
    - Ensured the rate charged for the franchise fees was in alignment with the agreement, and
    - Verified billing addresses were appropriate and within the City's jurisdictional boundaries.
- Examined 36 payments of franchise fees with a total amount received $2,586,233 million for all payments remitted to the City for fiscal years 2022 through 2024. The examination performed the following:
    - Ensured required documentation was provided,
    - Ensured payments were made for the correct amounts,
    - Verified payments were timely, and
    - Ensured the rate charged for franchise fees was correct.
- For fiscal years 2022 through 2024, selected a random sample of 6 monthly franchise fees payments from July 2021, December 2021, September 2022, February 2023, January 2024, and May 2024. The following was performed for these samples:

    - Identified which revenue accounts are included and excluded in the calculation of franchise fees gross revenues;
    - Confirmed that the agreement provides options for changes or modifications, if applicable;
    - Verified transactions are reasonable and appropriate; and
    - Compared balance from the Monthly Franchise Fee Report to the customer revenue walkthrough reports.
- Analyzed trends in the payments including taxable revenue, gross receipts, and net tax due for items reported during the period of July 2021 through June 2024.

  Performed a benchmarking analysis of franchise fee rates assessed by selected municipalities, including Santa Fe, NM; Salt Lake City, UT; and Kansas City, MO, to compare the City's 2% franchise fee rate with rates assessed in other jurisdictions.[7] Overall, Albuquerque's rate appears to be within the range of benchmarked municipal franchise fee rates of the jurisdictions reviewed. However, differences in local ordinances, franchise agreements, utility markets, and allowable revenue bases may affect direct comparability among jurisdictions.
- Evaluated the risk of fraud, waste, and abuse regarding activities related to the audit objectives and found none.

7 OIA noted that Kansas City's franchise fee rate is being phased down from 5% to 2.5% over five years beginning June 30, 2022, through annual 0.5% reduction.

APPENDIX B

Recommendations and Responses

For each recommendation, the responsible agency should indicate in the column labeled *Department Response* whether it concurs, does not concur, or partially concurs and provide a brief explanation. If it concurs with the recommendation, it should indicate the expected implementation date and implementation plan. If the responsible agency does not concur or partially concurs, it should provide an explanation and an alternate plan of action to address the identified issue.

Recommendation	**Responsible Party**	**Department Response**	**OIA Use Only Status Determination***
Recommendation #1: Coordinate with the Legal Department to determine whether the City is entitled to recover additional franchise fee revenues, interest, or other amounts associated with franchise fee remittances that differed from the franchise agreement requirements	Finance & Administrative Services Department	☒ Concur ☐ Do Not Concur ☐ Partially Concur “Treasury will coordinate with the Legal Department to evaluate whether the City is entitled to recover additional franchise fee revenue, interest, or other amounts. As part of this evaluation, Treasury will attempt to independently verify the amount owed to the city, the rate calculations and the potential recovery mechanism.” ESTIMATED COMPLETION DATES “December 31, 2026”	☒ Open ☐ Closed ☐ Contested

Recommendation	**Responsible Party**	**Department Response**	**<u>OIA Use Only</u> Status Determination***
Recommendation #2: Work with City Legal to determine whether franchise-related customer charges exceeding the rates identified in the franchise agreement were authorized and whether additional amounts collected should have been remitted to the City.	Finance & Administrative Services Department	☒ Concur ☐ Do Not Concur ☐ Partially Concur "Treasury will work with Legal to determine whether customer charges exceeding the 2% agreement rate were authorized (including any regulatory authorization) and whether amounts collected from customers but not remitted are due to the City." <u>ESTIMATED COMPLETION DATES</u> "December 31, 2026"	☒ Open ☐ Closed ☐ Contested
Recommendation #3: Consult with the Legal Department to review and amend the franchise agreement, as appropriate, to ensure franchise fee rates, remittance frequency, payment due dates, reporting requirements, and other contractual provisions accurately reflect current practices and regulatory requirements.	Finance & Administrative Services Department	☒ Concur ☐ Do Not Concur ☐ Partially Concur "Treasury will consult with Legal to confirm the current franchise agreement and amend it as appropriate to reflect current rates, remittance frequency, due dates, reporting requirements, and regulatory requirements." <u>ESTIMATED COMPLETION DATES</u> "March 31, 2027"	☒ Open ☐ Closed ☐ Contested

Recommendation	**Responsible Party**	**Department Response**	**<u>OIA Use Only</u> Status Determination***
Recommendation #4: Establish and implement formal review procedures to periodically verify that franchise fee rates, remittance frequency, and supporting payment documentation are consistent with franchise agreement terms and applicable Treasury policies.	Finance & Administrative Services Department	☒ Concur ☐ Do Not Concur ☐ Partially Concur "Treasury will establish and document formal periodic review procedures to verify that franchise fee rates, remittance frequency, and supporting documentation are consistent with executed agreements and Treasury policy." <u>ESTIMATED COMPLETION DATES</u> "June 30, 2027"	☒ Open ☐ Closed ☐ Contested
Recommendation #5: Consult with the Legal Department to verify the City's authority to assess and collect franchise fees associated with the Albuquerque Indian School Property/19 Pueblos District and ensure sufficient documentation is maintained to support franchise fee collections within applicable jurisdictions.	Finance & Administrative Services Department	☒ Concur ☐ Do Not Concur ☐ Partially Concur "Treasury will consult with Legal to verify the City's authority to assess and collect franchise fees associated with the Albuquerque Indian School Property/19 Pueblos District and will maintain supporting documentation." <u>ESTIMATED COMPLETION DATES</u> "March 31, 2027"	☒ Open ☐ Closed ☐ Contested

Recommendation	**Responsible Party**	**Department Response**	**OIA Use Only** **Status Determination***
Recommendation #6: Update Treasury's *Franchise Fee Collection, Monitoring, and Reconciliation Policy* to ensure franchise fee rates, remittance frequencies, and reporting requirements are consistent with the terms of executed franchise agreements.	Finance & Administrative Services Department	☒ Concur ☐ Do Not Concur ☐ Partially Concur "Treasury will update the Franchise Fee Collection, Monitoring, and Reconciliation Policy to align documented rates and frequencies with executed agreements, including correcting the CenturyLink entry." <u>ESTIMATED COMPLETION DATES</u> "June 30, 2027"	☒ Open ☐ Closed ☐ Contested