

INTERNAL AUDIT



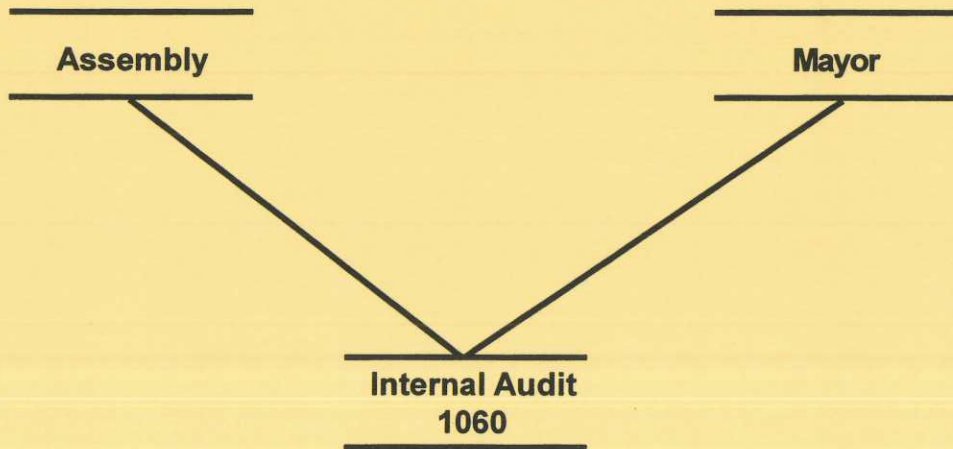
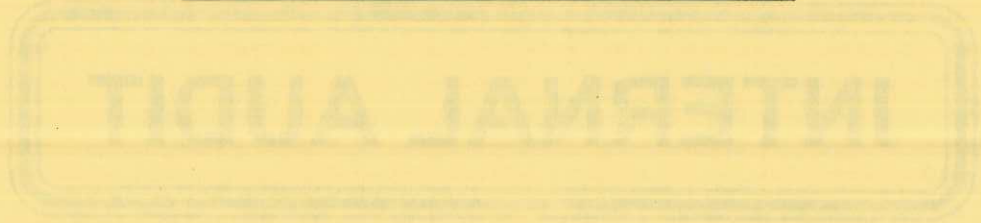
Board

Assembly

Internal Audit

1997

INTERNAL AUDIT



DEPARTMENT SUMMARY

Department

INTERNAL AUDIT

Mission

To provide the Assembly and Mayor with objective information to determine whether the required high degree of public accountability is maintained and to assist management personnel in improving the efficiency and effectiveness of government operations and activities.
(AMC 3.20.100)

Major Department Highlights

- Conduct independent operational audits of the various Municipal operations and activities.
- Conduct independent operational audits of the various Municipal owned utilities.
- Evaluate the adequacy of internal accounting and administrative controls.
- Review the reliability and integrity of financial and operating systems and information.
- Conduct compliance audits of grants and contracts.
- Emphasize economy and efficiency of Municipal operations in all management and operational audits.
- Provide management assistance to the Administration and Assembly through special studies.
- Assist the external auditor in the annual financial and Federal and State Single audits.

RESOURCES

	2000	2001
Direct Costs	\$ 450,320	\$ 321,440
Program Revenues	\$ 0	\$ 0
Personnel	6 FT 1 PT	4 FT 1 PT

2001 RESOURCE PLAN

DEPARTMENT: INTERNAL AUDIT

DIVISION	FINANCIAL SUMMARY		PERSONNEL SUMMARY							
	2000 REVISED	2001 BUDGET	2000 REVISED				2001 BUDGET			
			FT	PT	T	TOTAL	FT	PT	T	TOTAL
INTERNAL AUDIT	450,320	321,440	6	1		7	4	1	5	
OPERATING COST	450,320	321,440	6	1		7	4	1	5	
ADD DEBT SERVICE	0	0								
DIRECT ORGANIZATION COST	450,320	321,440								
ADD INTRAGOVERNMENTAL CHARGES FROM OTHERS	86,440	75,690								
TOTAL DEPARTMENT COST	536,760	397,130								
LESS INTRAGOVERNMENTAL CHARGES TO OTHERS	368,240	368,160								
FUNCTION COST	168,520	28,970								
LESS PROGRAM REVENUES	0	0								
NET PROGRAM COST	168,520	28,970								

2001 RESOURCES BY CATEGORY OF EXPENSE

DIVISION	PERSONAL SERVICES	SUPPLIES	OTHER SERVICES	CAPITAL OUTLAY	TOTAL DIRECT COST
INTERNAL AUDIT	313,990	1,800	5,650		321,440
DEPT. TOTAL WITHOUT DEBT SERVICE	313,990	1,800	5,650		321,440
LESS VACANCY FACTOR					
ADD DEBT SERVICE					
TOTAL DIRECT ORGANIZATION COST	313,990	1,800	5,650		321,440

RECONCILIATION FROM 2000 REVISED BUDGET TO 2001 PROPOSED BUDGET

DEPARTMENT: INTERNAL AUDIT

	<u>DIRECT COSTS</u>	<u>POSITIONS</u>		
		FT	PT	T
2000 REVISED BUDGET:	\$ 450,320	6	1	
2000 ONE-TIME REQUIREMENTS:				
- None				
AMOUNT REQUIRED TO CONTINUE EXISTING PROGRAMS IN 2001:				
- Salaries and benefits adjustment	14,690			
TRANSFERS (TO)/FROM OTHER AGENCIES:				
- None				
MISCELLANEOUS INCREASES (DECREASES):				
- None				
2001 CONTINUATION LEVEL:	<u>\$ 465,010</u>	<u>6</u>	<u>1</u>	<u>0</u>
PROGRAMMATIC BUDGET CHANGES:				
- The Department will not be able to provide assistance to management through special studies, forensic accounting, confidential analysis, labor relations support, etc, nor be able to provide expertise in information systems and PeopleSoft audit capability as recommended by the External Auditor's management letter. This will result in increased costs to the Municipality and the inability to provide at least 5 additional audit reports and 10 special study reports	\$ (143,570)	(2)		
2001 PROPOSED BUDGET:	<u><u>\$ 321,440</u></u>	<u><u>4</u></u>	<u><u>1</u></u>	<u><u>0</u></u>

2001 P R O G R A M P L A N

DEPARTMENT: INTERNAL AUDIT
PROGRAM: Internal Audit

DIVISION:

PURPOSE:

To provide the Assembly and Mayor with objective information to determine whether the required high degree of public accountability is maintained and to assist management personnel in improving the efficiency and effectiveness of government operations and activities. (AMC 3.20.100)

2000 PERFORMANCES:

- Conducted independent operational audits of the various Municipal operations and activities.
- Conducted independent operational audits of the various Municipal owned utilities.
- Evaluated the adequacy of internal accounting and administrative controls.
- Reviewed the reliability and integrity of financial and operating systems and information.
- Conducted compliance audits of grants and contracts.
- Emphasized economy and efficiency of Municipal operations in all management and operational audits.
- Provided management assistance to the Administration and Assembly through audits and special studies.
- Assisted the external auditor on the annual financial and Federal and State single audits.

2001 PERFORMANCE OBJECTIVES:

- Conduct independent operational audits of the various Municipal operations and activities.
- Conduct independent operational audits of the various Municipal owned utilities.
- Evaluate the adequacy of internal accounting and administrative controls.
- Review the reliability and integrity of financial and operating systems and information.
- Conduct compliance audits of grants and contracts.
- Emphasize economy and efficiency of Municipal operations in all management and operational audits.
- Provide management assistance to the Administration and Assembly through special studies.
- Assist the external auditor in the annual financial and Federal and State single audits.

2001 P R O G R A M P L A N

DEPARTMENT: INTERNAL AUDIT
 PROGRAM: Internal Audit
 RESOURCES:

DIVISION:

	1999 REVISED			2000 REVISED			2001 BUDGET		
	FT	PT	T	FT	PT	T	FT	PT	T
PERSONNEL:	6	1	0	6	1	0	4	1	0
PERSONAL SERVICES			\$ 461,750			\$ 442,440			\$ 313,990
SUPPLIES			3,000			1,980			1,800
OTHER SERVICES			7,990			5,900			5,650
CAPITAL OUTLAY			3,410			0			0
TOTAL DIRECT COST:			\$ 476,150			\$ 450,320			\$ 321,440

WORK MEASURES:

- Audit reports		17		17		13
- Special study reports		0		0		0

3 SERVICE LEVELS ARE FUNDED FOR THE DEPARTMENT. THIS PROGRAM HAS LEVELS:
 1, 2, 3

This page intentionally left blank.



BPAB010R
09/27/00
080726

M U N I C I P A L I T Y O F A N C H O R A G E
2001 DEPARTMENT RANKING

DEPT: 03 -INTERNAL AUDIT

DEPT	BUDGET UNIT/	SL	SVC
RANK	PROGRAM	CODE	LVL

1	1060-INTERNAL AUDIT	CB	1	Determine whether government operations
	0027-Internal Audit		OF	are adequately controlled and whether
	SOURCE OF FUNDS, THIS SVC LEVEL:		5	the required high degree of public
	TAX SUPPORT			accountability is maintained.
	IGC SUPPORT			

PERSONNEL			PERSONAL		OTHER	DEBT	CAPITAL	
FT	PT	T	SERVICE	SUPPLIES	SERVICES	SERVICE	OUTLAY	TOTAL
2	1	0	192,550	1,800	5,650	0	0	200,000

2	1060-INTERNAL AUDIT	CO	2	Meet the minimum requirements of the
	0027-Internal Audit		OF	AMC and the Financial Audit Contract.
	SOURCE OF FUNDS, THIS SVC LEVEL:		5	
	TAX SUPPORT			
	IGC SUPPORT			

PERSONNEL			PERSONAL		OTHER	DEBT	CAPITAL	
FT	PT	T	SERVICE	SUPPLIES	SERVICES	SERVICE	OUTLAY	TOTAL
1	0	0	60,720	0	0	0	0	60,720

3	1060-INTERNAL AUDIT	CO	3	Meet the minimum requirements of the
	0027-Internal Audit		OF	AMC and Financial Audit Contract.
	SOURCE OF FUNDS, THIS SVC LEVEL:		5	
	TAX SUPPORT			
	IGC SUPPORT			

PERSONNEL			PERSONAL		OTHER	DEBT	CAPITAL	
FT	PT	T	SERVICE	SUPPLIES	SERVICES	SERVICE	OUTLAY	TOTAL
1	0	0	60,720	0	0	0	0	60,720

SUBTOTAL OF FUNDED SERVICE LEVELS, INTERNAL AUDIT

PERSONNEL			PERSONAL		OTHER	DEBT	CAPITAL	
FT	PT	T	SERVICE	SUPPLIES	SERVICES	SERVICE	OUTLAY	TOTAL
4	1	0	313,990	1,800	5,650	0	0	321,440

----- DEPARTMENT OF INTERNAL AUDIT FUNDING LINE -----
 321,440

BPAB010R
09/27/00
080726

MUNICIPALITY OF ANCHORAGE
2001 DEPARTMENT RANKING

DEPT: 03 -INTERNAL AUDIT
DEPT BUDGET UNIT/
RANK PROGRAM

SL SVC
CODE LVL

4 1060-INTERNAL AUDIT
0027-Internal Audit

CR

4 Provide assistance to management through
OF special studies, forensic accounting,

SOURCE OF FUNDS, THIS SVC LEVEL:
TAX SUPPORT
IGC SUPPORT

5 confidential analysis, labor relations
support, and so forth.

PERSONNEL			PERSONAL SERVICE	SUPPLIES	OTHER SERVICES	DEBT SERVICE	CAPITAL OUTLAY	TOTAL
FT	PT	T						
1	0	0	67,740	0	0	0	0	67,740

5 1060-INTERNAL AUDIT
0027-Internal Audit

CR

5 Provide information systems and People
OF Soft audit capability. This position
5 was recommended by the external auditor
in their management letter.

SOURCE OF FUNDS, THIS SVC LEVEL:
TAX SUPPORT
IGC SUPPORT

PERSONNEL			PERSONAL SERVICE	SUPPLIES	OTHER SERVICES	DEBT SERVICE	CAPITAL OUTLAY	TOTAL
FT	PT	T						
1	0	0	75,580	250	0	0	0	75,830

TOTALS FOR DEPARTMENT OF INTERNAL AUDIT

, FUNDED AND UNFUNDED

PERSONNEL			PERSONAL SERVICE	SUPPLIES	OTHER SERVICES	DEBT SERVICE	CAPITAL OUTLAY	TOTAL
FT	PT	T						
6	1	0	457,310	2,050	5,650	0	0	465,010