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## Controller Division Finance Department

*Anchorage: Performance. Value. Results.*

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### Mission

Provide timely and accurate financial information while ensuring compliance with debt covenants, Municipal Ordinances and grant reporting requirements.

### Core Services

- Prepare Comprehensive Annual Financial Report
- Close monthly financial cycle
- Reconcile accounts on a monthly basis and maintain system of internal controls
- Process payroll
- Process payment to vendors

### Accomplishment Goals

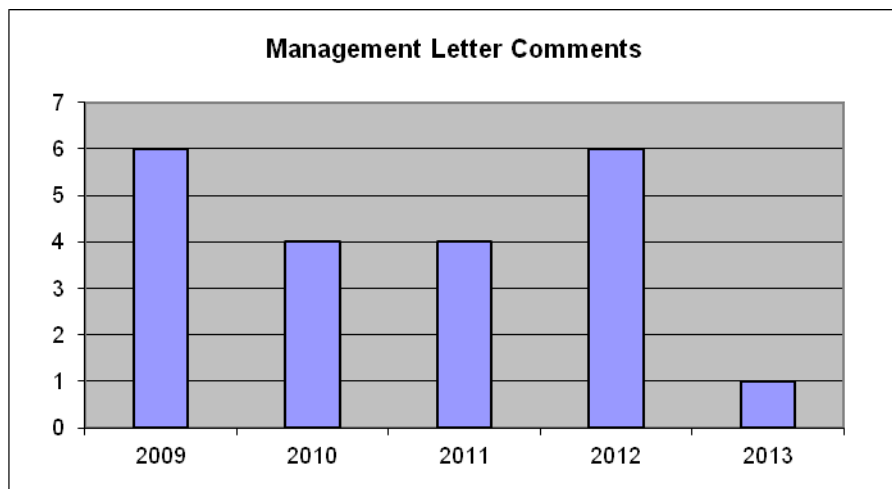
- Report fairly, without material misstatement, the financial results of the Municipality of Anchorage on an annual basis.
- Maintain a system of internal controls such that transactions are accurately recorded on a timely basis to reduce the risk of fraud and error.
- Record transactions accurately and timely.
- Pay employees and vendors accurately and timely.

### Performance Measures

Progress in achieving goals shall be measured by:

<b>Measure #1: Reduce number of external audit comments.</b>
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For Audit Yr:	2009	2010	2011	2012	2013
# Management Letter Points in Annual Audit Management Letter	6	4	4	6	1

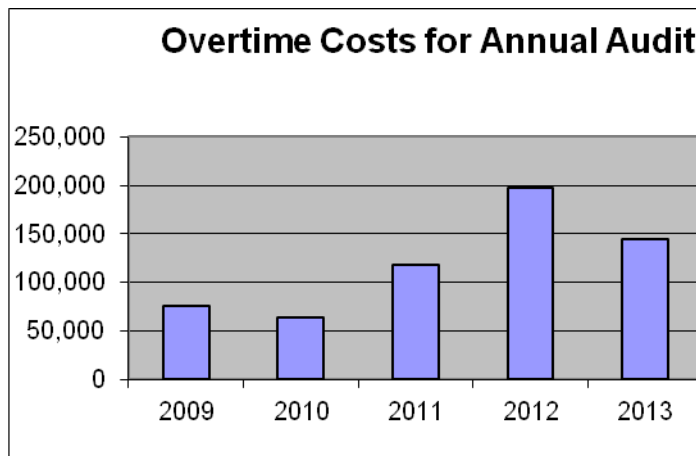


**Measure #2: Ensure audit comments from internal and external auditors are addressed within 90 days of receipt of comment.**

2013 – Comment has been resolved

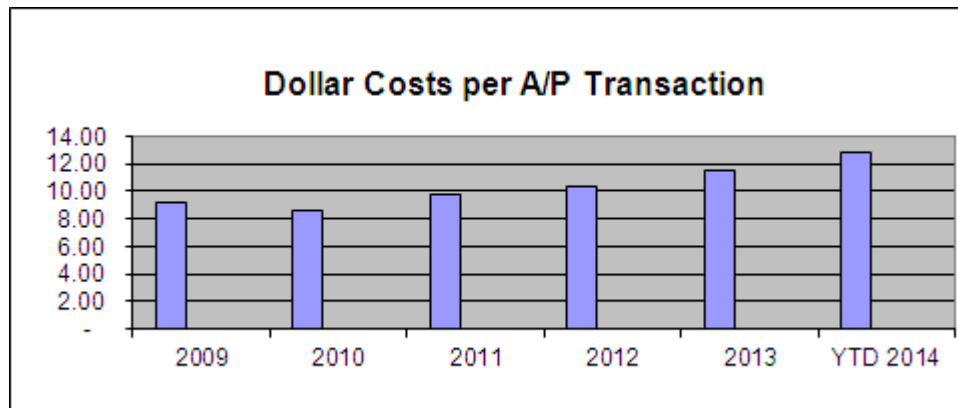
**Measure #3: Reduce overtime costs associated with annual audit.**

	2009	2010	2011	2012	2013
Overtime Cost:	\$76,289	\$64,062	\$117,723	196,892	144,877



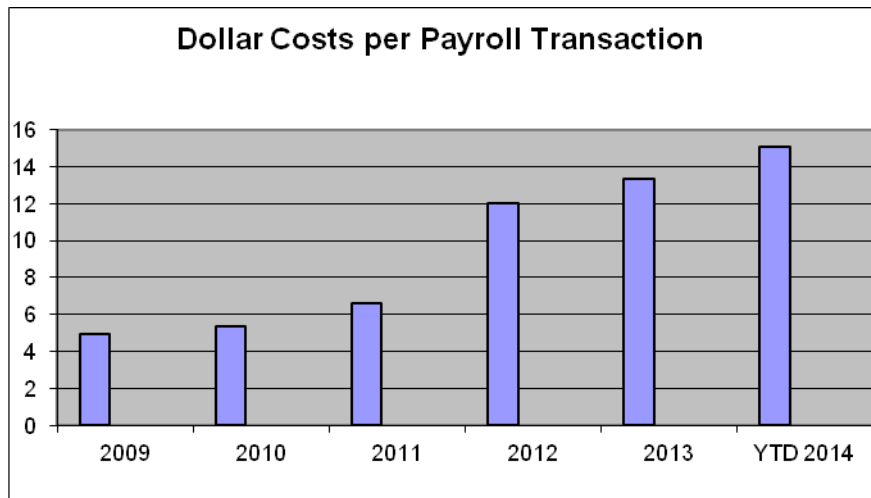
**Measure #4: Cost to produce vendor checks.**

Accounts Payable Division	2009	2010	2011	2012	2013	YTD 2014
\$ cost per transaction	\$9.14	\$8.58	\$9.81	\$10.31	\$11.58	\$12.86
# invoices processed for departments	37,446	35,681	32,976	33,734	32,737	24,292



**Measure #5: Cost to produce payroll checks.**

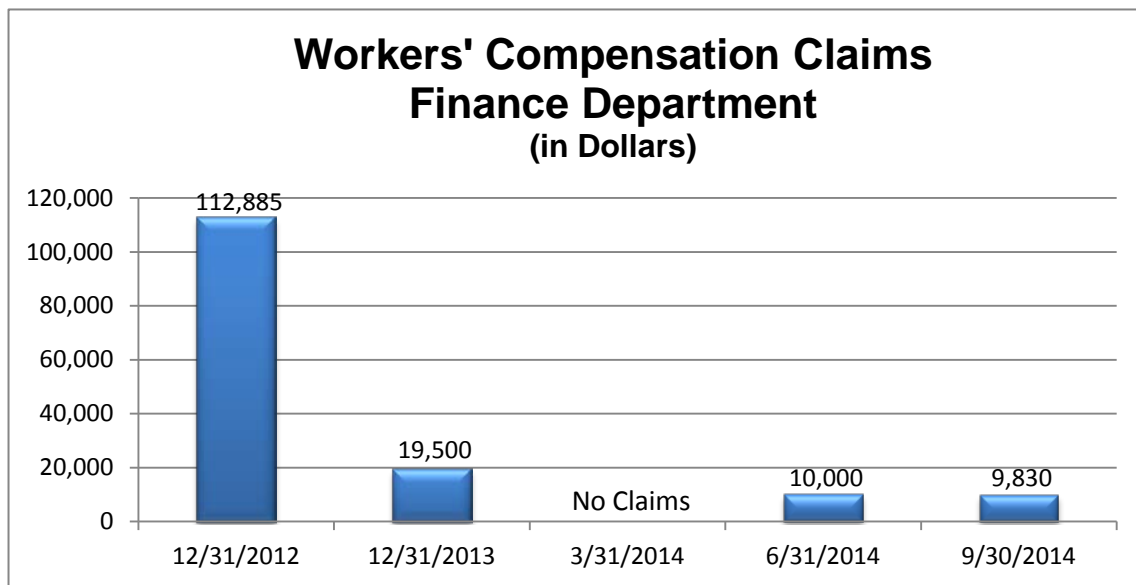
Payroll Division	2009	2010	2011	2012	2013	YTD 2014
Cost per payroll payment (annual, automated,	\$4.92	\$5.36	\$6.57	\$12.01	\$13.31	\$15.11
Number payrolls not met	0	0	0	0	0	0
Number payroll payments / year	83,040	75,912	73,824	75,074	71,085	58,498



### **PVR Measure WC: Managing Workers' Compensation Claims**

Reducing job-related injuries is a priority for the Administration by ensuring safe work conditions and safe practices. By instilling safe work practices we ensure not only the safety of our employees but reduce the potential for injuries and property damage to the public. The Municipality is self-insured and every injury poses a financial burden on the public and the injured worker's family. It just makes good sense to WORK SAFE.

Results are tracked by monitoring monthly reports issued by the Risk Management Division.



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**Performance Measure Methodology Sheet**  
**Controller Division**  
**Finance Department**

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<b>Measure #1 &amp; #3: Reduce number of audit comments and overtime costs associated with the annual audit.</b>
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**Type**

Efficiency

**Accomplishment Goal Supported**

Reduce the costs associated with putting together the Comprehensive Annual Report in both overtime and audit fees.

**Definition**

Measure the efficiency of the annual audit by focusing on the number of comments received by the auditors in the annual Management Letter.

**Data Collection Method**

Count number of comments in the annual management letter

**Frequency**

Annually

**Measured By**

The controller will maintain an annual list of comments in an Excel spreadsheet.

**Reporting**

The controller will maintain an annual report

**Used By**

The report will be used by the controller's department and CFO to gain a clearer idea of costs associated with annual reporting requirements.

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**Performance Measure Methodology Sheet**  
**Controller Division**  
**Finance Department**

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<b>Measure #2: Ensure audit comments from internal and external auditors are addressed within 90 days of receipt of comment.</b>
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**Type**

Efficiency

**Accomplishment Goal Supported**

Maintain the integrity of the systems of internal controls that have been established for the Municipality Of Anchorage.

**Definition**

Measure the ability of the Municipal departments to react and correct deficiencies noted in both internal and external audits.

**Data Collection Method**

Perform follow-up procedures to determine if comments provided for improvement by the auditors have been followed.

**Frequency**

Quarterly

**Measured By**

The controller will maintain documents to support department's response to audit reports.

**Reporting**

The controller will maintain a quarterly report

**Used By**

The report will be used by the controller's department and CFO to ensure that departments react appropriately to audit comments and follow established policies and procedures.

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**Performance Measure Methodology Sheet**  
**Controller Division**  
**Finance Department**

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<b>Measure #4: Costs to produce vendor checks.</b>
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**Type**

Efficiency

**Accomplishment Goal Supported**

Reduce the costs associated with paying vendors and eliminate reissuing new vendor checks due to errors in processing.

**Definition**

Measure the efficiency of the accounts payable process by focusing on costs associated with producing vendor checks.

**Data Collection Method**

The calculation is performed by dividing the total costs of the central accounts payable department by the number of checks produced on a monthly basis and counting the number or checks reissued due to error.

**Frequency**

The measurement will be performed at the beginning of each quarter.

**Measured By**

The Accounts Payable Supervisor will maintain an excel spreadsheet with information pulled from Peoplesoft and maintain an accurate count of reissued checks.

**Reporting**

The controller will maintain a quarterly and annual report of costs to produce checks and reissued checks.

**Used By**

The accounts payable supervisor, controller and CFO will use the data to gain an understanding of the costs associated with managing a centralized accounts payable department.

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**Performance Measure Methodology Sheet**  
**Controller Division**  
**Finance Department**

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<b>Measure #5: Cost to produce payroll checks.</b>
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**Type**

Efficiency

**Accomplishment Goal Supported**

Reduce the costs associated with making payroll payments (direct deposit and checks) to employees and eliminate processing errors.

**Definition**

Measure the efficiency of the payroll process by focusing on costs associated with paying employees.

**Data Collection Method**

The calculation is performed by dividing the total costs of the central payroll department by the number of biweekly payments made to employees and maintaining an accurate count of corrections made to employee's pay advice.

**Frequency**

The measurement will be performed at the beginning of each quarter.

**Measured By**

The Payable Supervisor will maintain an excel spreadsheet with information pulled from Peoplesoft and maintain an accurate count of processing errors.

**Reporting**

The controller will maintain a quarterly and annual report of costs to produce payroll advices and corrections to employee's pay advice.

**Used By**

The payroll supervisor, controller and CFO will use the data to gain an understanding of the costs associated with managing a centralized payroll department.



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**Performance Measure Methodology Sheet**  
**Controller Division**  
**Finance Department**

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<b>Measure 1 &amp; 3: Reduce number of audit comments and overtime costs associated with the annual audit.</b>
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**Type**

Efficiency

**Accomplishment Goal Supported**

Reduce the costs associated with putting together the Comprehensive Annual Report in both overtime and audit fees.

**Definition**

Measure the efficiency of the annual audit by focusing on the number of comments received by the auditors in the annual Management Letter.

**Data Collection Method**

Count number of comments in the annual management letter

**Frequency**

Annually

**Measured By**

The controller will maintain an annual list of comments in an Excel spreadsheet.

**Reporting**

The controller will maintain an annual report

**Used By**

The report will be used by the controller's department and CFO to gain a clearer idea of costs associated with annual reporting requirements.

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**Performance Measure Methodology Sheet**  
**Controller Division**  
**Finance Department**

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<b>Measure 2: Ensure audit comments from internal and external auditors are addressed within 90 days of receipt of comment.</b>
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**Type**

Efficiency

**Accomplishment Goal Supported**

Maintain the integrity of the systems of internal controls that have been established for the Municipality of Anchorage.

**Definition**

Measure the ability of the Municipal departments to react and correct deficiencies noted in both internal and external audits.

**Data Collection Method**

Perform follow-up procedures to determine if comments provided for improvement by the auditors have been followed.

**Frequency**

Quarterly

**Measured By**

The controller will maintain documents to support department's response to audit reports.

**Reporting**

The controller will maintain a quarterly report

**Used By**

The report will be used by the controller's department and CFO to ensure that departments react appropriately to audit comments and follow established policies and procedures.

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**Performance Measure Methodology Sheet**  
**Controller Division**  
**Finance Department**

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<b>Measure 4: Costs to produce vendor checks.</b>
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**Type**

Efficiency

**Accomplishment Goal Supported**

Reduce the costs associated with paying vendors and eliminate reissuing new vendor checks due to errors in processing.

**Definition**

Measure the efficiency of the accounts payable process by focusing on costs associated with producing vendor checks.

**Data Collection Method**

The calculation is performed by dividing the total costs of the central accounts payable department by the number of checks produced on a monthly basis and counting the number or checks reissued due to error.

**Frequency**

The measurement will be performed at the beginning of each quarter.

**Measured By**

The Accounts Payable Supervisor will maintain an excel spreadsheet with information pulled from Peoplesoft and maintain an accurate count of reissued checks.

**Reporting**

The controller will maintain a quarterly and annual report of costs to produce checks and reissued checks.

**Used By**

The accounts payable supervisor, controller and CFO will use the data to gain an understanding of the costs associated with managing a centralized accounts payable department.

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**Performance Measure Methodology Sheet**  
**Controller Division**  
**Finance Department**

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<b>Measure 5: Cost to produce payroll checks.</b>
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**Type**

Efficiency

**Accomplishment Goal Supported**

Reduce the costs associated with making payroll payments (direct deposit and checks) to employees and eliminate processing errors.

**Definition**

Measure the efficiency of the payroll process by focusing on costs associated with paying employees.

**Data Collection Method**

The calculation is performed by dividing the total costs of the central payroll department by the number of biweekly payments made to employees and maintaining an accurate count of corrections made to employee's pay advice.

**Frequency**

The measurement will be performed at the beginning of each quarter.

**Measured By**

The Payable Supervisor will maintain an excel spreadsheet with information pulled from Peoplesoft and maintain an accurate count of processing errors.

**Reporting**

The controller will maintain a quarterly and annual report of costs to produce payroll advices and corrections to employee's pay advice.

**Used By**

The payroll supervisor, controller and CFO will use the data to gain an understanding of the costs associated with managing a centralized payroll department.