



MUNICIPALITY OF ANCHORAGE

Assembly Memorandum

AM No. 87-2026

Municipal Clerk's Office

Meeting Date: February 17, 2026

Approved

Date: **February 17, 2026**

1 **FROM: CHAIR, MUNICIPAL AUDIT COMMITTEE**

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SUBJECT: OFFICE OF INTERNAL AUDIT, 2026 AUDIT PLAN

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Per AMC 3.20.110, the Director of Internal Audit submitted a draft annual audit plan for the year 2026 to the Municipal Audit Committee for review, comment, and endorsement. The Municipal Audit Committee met on January 22, 2026, and the attached annual audit plan has been endorsed by the Municipal Audit Committee. The Municipal Audit Committee is comprised of three Administration officials (William Falsey, Philippe Brice, Stefanie Ryan) and three Assembly Members (Erin Baldwin Day, Daniel Volland, Jared Goecker).

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Per AMC 2.20.080, this annual audit plan is being submitted to the Mayor and Assembly for approval.

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Approval of the 2026 Audit Plan is recommended.

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Prepared by: Alden Thern Director, Internal Audit

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Respectfully submitted: Erin Baldwin Day, Municipal Audit Committee Chair

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OFFICE OF INTERNAL AUDIT
2026 ANNUAL AUDIT PLAN

2025 AUDITS CONTINUED TO 2026 – CURRENTLY BEING COMPLETED

- Procurement Card Program (Policy and Procedure 48-16) (2024 review)
- Management Contract of Sullivan, Ben Boeke, and Dempsey Contract Compliance
- Community Development Block Grant (CDBG) – Addressing CDBG grantee carrying out its program in a timely manner (Currently 2 Years)
- CDBG – Grant Compliance regarding Annual Action Plan Submission and Approval

2026 AUDITS

Anchorage Health Department

- CDBG – Housing and Urban Development (HUD) Integrated Disbursement and Information System (IDIS) accuracy with SAP
- Grant Compliance Audit – Emergency Preparedness and Response

Anchorage Water and Wastewater Utility

- Intra Governmental Charges (IGC) for AWWU rate Justification to the Regulatory Commission of Alaska
- Uniform Rental Contract Compliance
- Controls over Contract Monitoring in Maximo (Non-incumbering, as needed basis)

Assembly

- Review expenditure coding practices for G/L accounts: Other Professional Services, tuition/reg-nonlocal, and misc.-exp from June 1, 2025 through August 31, 2025, for general government operating departments, to verify expenditures match coding
- Review the role of the Controller’s Department and the Office of Management and Budget, per Title 6, in relation to BDO audit finding 2023-008 Use of fund Classifications
- Review Transfer of Responsibility Agreements (TORAs) for the past 20 years to determine what responsibilities have been transferred, what funding was promised, and if the funding has continued to arrive

Port of Alaska

- Audit of the Preferential Use Agreements at the Port of Alaska for code compliance and remittance accuracy

Controller/Purchasing

- Controls over Non-PO Account Payable Process

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2026 ANNUAL AUDIT PLAN

Solid Waste Services

- Follow-up Audit of Cash Control Audit 2024-01

Various Departments

- Homeless Grant Compliances (AHD)
- Alcohol tax Grant Compliances

2026 SUNSET AUDITS

Public Safety Advisory Commission
Watershed and Natural Resources Advisory Commission
Port of Alaska Modernization Program and Design Advisory Board

2026 ROUTINE INTERNAL AUDITS & ROUTINE SPECIAL STUDIES

Anchorage Police Department Cash Conversion/Drug Burn/Auctions/Bike Pick-up
Procurement Card Program (Policy and Procedure 48-16) (2025 review)
Procurement Card Rebate
Review of Selected Expenditures
Selected Cash Control Audits
Selected Contract Compliance Audits
Selected Grant Compliance Audits
Year-End Inventories

2026 SPECIAL STUDIES

Contract review of Republic Services (Household Hazardous Waste Vendor) - Solid Waste Services