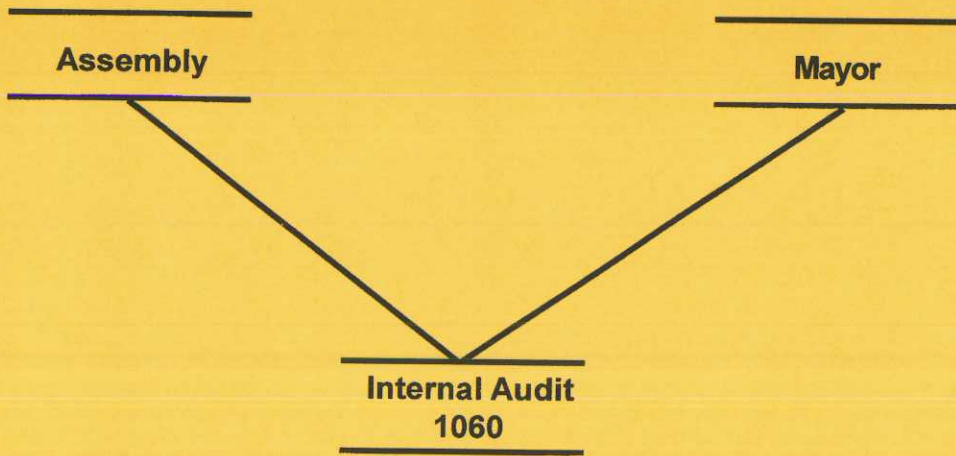


INTERNAL AUDIT

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
INTERNAL AUDIT	450,320	321,440	6	1	7	5
OPERATING COST	450,320	321,440	6	1	7	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 APPROVED 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:	\$ 465,010	6	1	0
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 APPROVED BUDGET:	<u>\$ 321,440</u>	<u>4</u>	<u>1</u>	<u>0</u>

2001 PROGRAM PLAN

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.

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MUNICIPALITY OF ANCHORAGE
2001 DEPARTMENT RANKING

DEPT: 03 -INTERNAL AUDIT

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

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

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

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

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

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

SUBTOTAL OF FUNDED SERVICE LEVELS, INTERNAL AUDIT

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

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

4	1060-INTERNAL AUDIT 0027-Internal Audit SOURCE OF FUNDS, THIS SVC LEVEL: TAX SUPPORT	CR	4	Provide assistance to management through special studies, forensic accounting, confidential analysis, labor relations support, and so forth.
			5	

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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/
 RANK PROGRAM

SL SVC
 CODE LVL

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

5 1060-INTERNAL AUDIT CR 5 Provide information systems and People
 0027-Internal Audit OF Soft audit capability. This position
 SOURCE OF FUNDS, THIS SVC LEVEL: 5 was recommended by the external auditor
 TAX SUPPORT in their management letter.
 IGC SUPPORT

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

TOTALS FOR DEPARTMENT OF INTERNAL AUDIT , FUNDED AND UNFUNDED

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