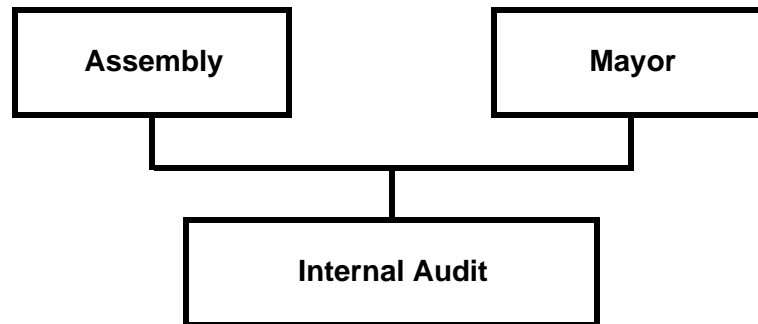


# Internal Audit



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## Internal Audit

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### Description

The primary focus of Internal Audit is to assist the Mayor and the Municipal Assembly in ensuring that proper accountability is maintained over public funds and to improve the efficiency and effectiveness of Municipal government within the constraints of the Anchorage Municipal Code.

To accomplish this, Internal Audit performs audits to ensure the reliability and integrity of financial records, compliance with established Municipal Policy and Procedures, accountability and protection of Municipal assets, and the achievement of program results. The responsibilities of Internal Audit are outlined specifically in Anchorage Municipal Code 3.20.

### Department Services

- Conduct independent operational audits of Municipal operations and activities
- Evaluate the reliability of internal accounting administrative controls
- Conduct compliance audits of grants and contracts
- Provide findings and recommendations for improved efficiency and effectiveness of Municipal operations and processes
- Provide management assistance to the Administration and Assembly
- Assist the external auditors with the annual financial and Federal and State Single audits

## Internal Audit Department Summary

	2010 Actuals	2011 Revised	2012 Approved	12 v 11 % Chg
<b>Direct Cost by Division</b>				
Internal Audit	514,840	535,762	577,863	7.86%
<b>Direct Cost Total</b>	<b>514,840</b>	<b>535,762</b>	<b>577,863</b>	<b>7.86%</b>
<b>Intragovernmental Charges</b>				
Charges by Other Departments	38,499	53,868	41,926	<22.17%>
Charges to Other Departments	(553,340)	(588,462)	(585,974)	<0.42%>
<b>Function Cost Total</b>	<b>(1)</b>	<b>1,168</b>	<b>33,814</b>	<b>2795.20%</b>
<b>Net Cost Total</b>	<b>(1)</b>	<b>1,168</b>	<b>33,814</b>	<b>2795.20%</b>
<hr/>				
<b>Direct Cost by Category</b>				
Personnel	505,704	526,656	568,757	7.99%
Supplies	596	1,200	1,310	9.17%
Travel	2,624	1,500	1,500	-
Contractual/Other Services	5,916	6,406	6,296	<1.72%>
Debt Service/Depreciation	-	-	-	-
<b>Direct Cost Total</b>	<b>514,840</b>	<b>535,762</b>	<b>577,863</b>	<b>7.86%</b>
<hr/>				
<b>Position Summary as Budgeted</b>				
Full-Time	4	4	4	
Part-Time	1	1	1	
<b>Position Total</b>	<b>5</b>	<b>5</b>	<b>5</b>	

## Internal Audit

### Reconciliation from 2011 Revised Budget to 2012 Approved Budget

	Direct Costs	Positions		
		FT	PT	T
<b>2011 Revised Budget</b>	535,762	4	1	-
<b>2011 One-Time Requirements</b>				
- None	-	-	-	-
<b>Transfers (to)/from Other Agencies</b>				
- None	-	-	-	-
<b>Debt Service Changes</b>				
- None	-	-	-	-
<b>Changes in Existing Programs/Funding for 2011</b>				
- Salary and benefits adjustments	60,103	-	-	-
<b>2012 Continuation Level</b>	<b>595,865</b>	<b>4</b>	<b>1</b>	<b>-</b>
<b>2012 One-Time Requirements</b>				
- None	-	-	-	-
<b>Transfers (to)/from Other Agencies</b>				
- None	-	-	-	-
<b>2012 Proposed Budget Changes</b>				
- Leave cash-out adjustment	(18,002)	-	-	-
<b>2012 S Revisions/Assembly Amendments/Mayor Vetoes</b>				
- None	-	-	-	-
<b>2012 Approved Budget</b>	<b>577,863</b>	<b>4</b>	<b>1</b>	<b>-</b>

## Internal Audit Division Summary

### Internal Audit

(Dept ID # 1060)

	2010 Actuals	2011 Revised	2012 Approved	12 v 11 % Chg
<b>Direct Cost by Category</b>				
Salaries and Benefits	505,704	526,656	568,757	7.99%
Supplies	596	1,200	1,310	9.17%
Travel	2,624	1,500	1,500	-
Contractual/Other Services	5,916	6,406	6,296	<1.72%>
<b>Manageable Direct Cost Total</b>	<b>514,840</b>	<b>535,762</b>	<b>577,863</b>	<b>7.86%</b>
Debt Service, Depreciation	-	-	-	
<b>Direct Cost Total</b>	<b>514,840</b>	<b>535,762</b>	<b>577,863</b>	<b>7.86%</b>

### Positions as Budgeted

	2010 Revised		2011 Revised		2012 Approved	
	Full Time	Part Time	Full Time	Part Time	Full Time	Part Time
Audit Technician	-	1	-	1	-	1
Internal Auditor	1	-	1	-	1	-
Principal Auditor	1	-	1	-	1	-
Staff Auditor	2	-	2	-	2	-
<b>Positions as Budgeted Total</b>	<b>4</b>	<b>1</b>	<b>4</b>	<b>1</b>	<b>4</b>	<b>1</b>

## Internal Audit Division Detail

### Internal Audit

(Dept ID # 1060)

	2010 Actuals	2011 Revised	2012 Approved	12 v 11 % Chg
<b>Direct Cost by Category</b>				
<b>Salaries and Benefits</b>				
1101 - Straight Time Labor	298,803	309,484	351,599	13.61%
1301 - Leave/Holiday Accruals	27,945	22,402	6,129	<72.64%>
1401 - Benefits	178,956	194,770	211,029	8.35%
<b>Salaries and Benefits Total</b>	<b>505,704</b>	<b>526,656</b>	<b>568,757</b>	<b>7.99%</b>
<b>Supplies</b>	596	1,200	1,310	9.17%
<b>Travel</b>	2,624	1,500	1,500	-
<b>Contractual/Other Services</b>	5,916	6,406	6,296	<1.72%>
<b>Manageable Direct Cost Total</b>	<b>514,840</b>	<b>535,762</b>	<b>577,863</b>	<b>7.86%</b>
<b>Debt Service, Depreciation</b>	-	-	-	-
<b>Direct Cost Total</b>	<b>514,840</b>	<b>535,762</b>	<b>577,863</b>	<b>7.86%</b>
<b>Intra-Governmental Charges</b>				
Charges by Other Departments	38,499	53,868	41,926	<22.17%>
Charges To Other Departments	(553,340)	(588,462)	(585,974)	<0.42%>
<b>Net Cost</b>				
Manageable Direct Cost	514,840	535,762	577,863	7.86%
Debt Service, Depreciation	-	-	-	-
Charges by Other Departments	38,499	53,868	41,926	<22.17%>
Charges To Other Departments	(553,340)	(588,462)	(585,974)	<0.42%>
<b>Net Cost Total</b>	<b>(1)</b>	<b>1,168</b>	<b>33,814</b>	<b>2795.20%</b>

*Anchorage: Performance. Value. Results*

## Internal Audit Department

*Anchorage: Performance. Value. Results.*

### Mission

Provide the Assembly and Mayor with objective information to ensure that a high degree of public accountability is maintained and government operations are efficient and effective.

### Core Services

- Conduct independent operational audits of Municipal operations and activities
- Evaluate the reliability of internal accounting administrative controls
- Conduct compliance audits of grants and contracts
- Provide findings and recommendations for improved efficiency and effectiveness of Municipal operations and processes
- Provide management assistance to the Administration and Assembly
- Assist the external auditors I the annual financial and Federal and State Single audits

### Accomplishment Goals

- Provide the Assembly and Mayor with objective information by completing the requested audits and special projects in the approved annual audit plan
- Reduce expenses by providing audit staff hours to the external auditors for the annual financial and Federal and State Single audits

### Performance Measures

Progress in achieving goals will be measured by:

#### **Measure #1: The number of audit reports issued**

	2007	2008	2009	2010	2011 Q1	2011 Q2	2011 Q3	2011 Q4
# issued	12	13	15	13	5	3	7	

#### **Measure #2: The number of special projects completed**

	2007	2008	2009	2010	2011 Q1	2011 Q2	2011 Q3	2011 Q4
# completed	15	20	16	11	2	1	5	



<b>Measure #3: The number of audit findings in reports of audit with management concurrence.</b>
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	2007	2008	2009	2010	2011 Q1	2011 Q2	2011 Q3	2011 Q4
% management concurrence	100%	98%	100%	100%	100%	100%	100%	

<b>Measure #4: Total number of staff hours provided to the external auditors</b>
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	2007	2008	2009	2010	2011 Q1	2011 Q2	2011 Q3	2011 Q4
# of staff hours to external auditors	472	501	471	518	306	238	0	0

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