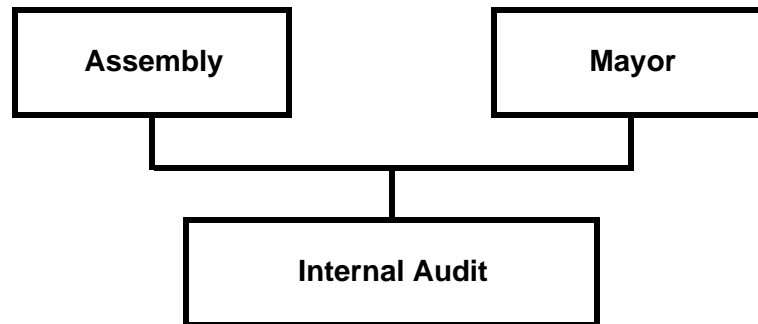


Internal Audit



Internal Audit

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
- Conduct Sunset Audits of Boards and Commissions.

Internal Audit Department Summary

	2011 Actuals	2012 Revised	2013 Proposed	13 v 12 % Chg
Direct Cost by Division				
Internal Audit	538,706	607,863	701,432	15.39%
Direct Cost Total	538,706	607,863	701,432	15.39%
Intragovernmental Charges				
Charges by Other Departments	42,421	41,628	139,581	235.31%
Charges to Other Departments	(581,120)	(618,242)	(737,828)	19.34%
Function Cost Total	7	31,249	103,185	230.21%
Program Generated Revenue	-	-	(103,056)	
Net Cost Total	7	31,249	129	<99.59%>
Direct Cost by Category				
Personnel	531,890	568,757	692,388	21.74%
Supplies	540	1,310	1,310	-
Travel	-	1,500	1,500	-
Contractual/Other Services	6,276	36,296	6,234	<82.82%>
Debt Service/Depreciation	-	-	-	-
Direct Cost Total	538,706	607,863	701,432	15.39%
Position Summary as Budgeted				
Full-Time	4	4	5	
Part-Time	1	1	1	
Position Total	5	5	6	

Internal Audit

Reconciliation from 2012 Revised Budget to 2013 Proposed Budget

	Direct Costs	Positions		
		FT	PT	T
2012 Revised Budget	607,863	4	1	-
2012 One-Time Requirements				
- Independent Review of APD policies and procedures.	(30,000)	-	-	-
Transfers (to)/from Other Agencies				
- None	-	-	-	-
Debt Service Changes				
- None	-	-	-	-
Changes in Existing Programs/Funding for 2013				
- Salary and benefits adjustments	20,575	-	-	-
2013 Continuation Level	598,438	4	1	-
2013 One-Time Requirements				
- None	-	-	-	-
Transfers (to)/from Other Agencies				
- None	-	-	-	-
2013 Proposed Budget Changes				
- ASD Auditor - Establish a new position, funded 100% by the Anchorage School District. This position is responsible for internal audits of the ASD.	103,056	1	-	-
- Alignment of budget to 2013 fleet rate schedule	(62)	-	-	-
2013 Proposed Budget	701,432	5	1	-

Internal Audit Division Summary

Internal Audit

(Dept ID # 1060)

	2011 Actuals	2012 Revised	2013 Proposed	13 v 12 % Chg
Direct Cost by Category				
Salaries and Benefits	531,890	568,757	692,388	21.74%
Supplies	540	1,310	1,310	-
Travel	-	1,500	1,500	-
Contractual/Other Services	6,276	36,296	6,234	<82.82%>
Manageable Direct Cost Total	538,706	607,863	701,432	15.39%
Debt Service, Depreciation	-	-	-	
Direct Cost Total	538,706	607,863	701,432	15.39%
Revenue by Fund				
Fund 101 - Areawide General	-	-	103,056	
Revenue Total	-	-	103,056	

Positions as Budgeted

	2011 Revised		2012 Revised		2013 Proposed	
	Full Time	Part Time	Full Time	Part Time	Full Time	Part Time
ASD Staff Auditor	-	-	-	-	1	-
Audit Technician	-	1	-	1	-	1
Internal Auditor	1	-	1	-	1	-
Principal Auditor	1	-	1	-	1	-
Staff Auditor	2	-	2	-	2	-
Positions as Budgeted Total	4	1	4	1	5	1

Internal Audit**Division Detail****Internal Audit**

(Dept ID # 1060)

	2011 Actuals	2012 Revised	2013 Proposed	13 v 12 % Chg
Direct Cost by Category				
Salaries and Benefits				
1101 - Straight Time Labor	306,680	351,599	423,148	20.35%
1301 - Leave/Holiday Accruals	28,003	6,129	7,546	23.13%
1401 - Benefits	197,206	211,029	261,695	24.01%
Salaries and Benefits Total	531,890	568,757	692,388	21.74%
Supplies	540	1,310	1,310	-
Travel	-	1,500	1,500	-
Contractual/Other Services	6,276	36,296	6,234	<82.82%>
Manageable Direct Cost Total	538,706	607,863	701,432	15.39%
Debt Service, Depreciation	-	-	-	-
Direct Cost Total	538,706	607,863	701,432	15.39%
Intra-Governmental Charges				
Charges By Other Departments	42,421	41,628	139,581	235.31%
Charges to Other Departments	(581,120)	(618,242)	(737,828)	19.34%
Program Generated Revenue				
9609 - Restricted Contributions	-	-	103,056	-
Program Generated Revenue Total	-	-	103,056	-
Net Cost				
Manageable Direct Cost	538,706	607,863	701,432	15.39%
Debt Service, Depreciation	-	-	-	-
Charges By Other Departments	42,421	41,628	139,581	235.31%
Charges to Other Departments	(581,120)	(618,242)	(737,828)	19.34%
Program Generated Revenue	-	-	(103,056)	-
Net Cost Total	7	31,249	129	<99.59%>

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

	2008	2009	2010	2011	2012 Q1	2012 Q2	2012 Q3	2012 Q4
# issued	13	15	13	17	3	3		

Measure #2: The number of special projects completed

	2008	2009	2010	2011	2012 Q1	2012 Q2	2012 Q3	2012 Q4
# completed	20	16	11	10	1	2		

Measure #3: The number of audit findings in reports of audit with management concurrence.
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	2008	2009	2010	2011	2012 Q1	2012 Q2	2012 Q3	2012 Q4
% management concurrence	98%	100%	100%	100%	100%	100%		

Measure #4: Total number of staff hours provided to the external auditors
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	2008	2009	2010	2011	2012 Q1	2012 Q2	2012 Q3	2012 Q4
# of staff hours to external auditors	501	471	518	545	287	189	0	0