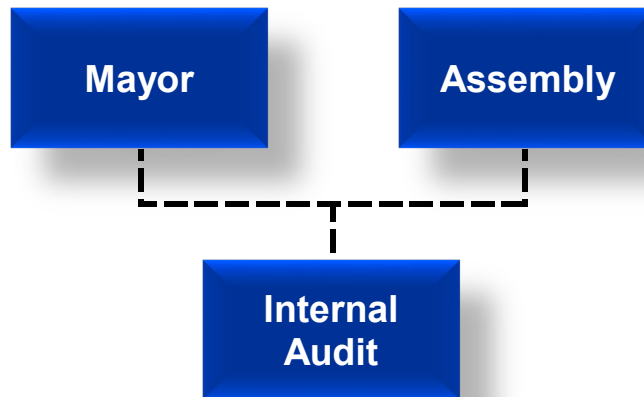


# Internal Audit



## 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 Anchorage Police Department's Evidence Section in certifying the proper disposal of found, abandoned, or forfeited property in accordance with Anchorage Municipal Code Chapter 7.25, *Disposition of Disposable Property*
- Conduct Sunset Audits of Boards and Commissions.
- In accordance with the concept of shared services, provide internal audit support to the Anchorage School District through one staff auditor fully funded by the School District

### Department Goals that Contribute to Achieving the Mayor's Mission:



#### **Administrative Efficiency – Make city government more efficient and decrease departmental spending.**

- Provide the Assembly and Mayor with objective information by completing the requested audits and special projects in the approved annual audit plan.

## Internal Audit Department Summary

	2020 Actuals	2021 Revised	2022 Approved	22 v 21 % Chg
<b>Direct Cost by Division</b>				
Internal Audit	783,369	788,434	760,721	(3.51%)
<b>Direct Cost Total</b>	<b>783,369</b>	<b>788,434</b>	<b>760,721</b>	<b>(3.51%)</b>
<b>Intragovernmental Charges</b>				
Charges by/to Other Departments	(645,404)	(649,103)	(621,390)	(4.27%)
Program Generated Revenue	(137,965)	(139,331)	(139,331)	-
<b>Function Cost Total</b>	<b>137,965</b>	<b>139,331</b>	<b>139,331</b>	<b>-</b>
<b>Net Cost Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Direct Cost by Category</b>				
Salaries and Benefits	777,057	776,882	749,189	(3.56%)
Supplies	493	1,331	1,331	-
Travel	-	1,500	1,500	-
Contractual/Other Services	5,818	8,721	8,701	(0.23%)
Debt Service	-	-	-	-
<b>Direct Cost Total</b>	<b>783,369</b>	<b>788,434</b>	<b>760,721</b>	<b>(3.51%)</b>
<b>Position Summary as Budgeted</b>				
Full-Time	5	5	5	-
Part-Time	1	1	1	-
<b>Position Total</b>	<b>6</b>	<b>6</b>	<b>6</b>	<b>-</b>

**Internal Audit  
Reconciliation from 2021 Revised Budget to 2022 Approved Budget**

	Direct Costs	Positions		
		FT	PT	Seas/T
<b>2021 Revised Budget</b>	788,434	5	1	-
<b>Changes in Existing Programs/Funding for 2022</b>				
- Salaries and benefits adjustments	4,996	-	-	-
<b>2022 Continuation Level</b>	<b>793,430</b>	<b>5</b>	<b>1</b>	<b>-</b>
<b>2022 Proposed Budget Changes</b>				
- Fleet adjustment	(20)	-	-	-
- Leave .5 FTE Audit Technician position vacant for three quarters of the year	(32,689)	-	-	-
<b>2022 Approved Budget</b>	<b>760,721</b>	<b>5</b>	<b>1</b>	<b>-</b>

## Internal Audit Division Summary

### Internal Audit

(Fund Center # 106000, 106079)

	2020 Actuals	2021 Revised	2022 Approved	22 v 21 % Chg
<b>Direct Cost by Category</b>				
Salaries and Benefits	777,057	776,882	749,189	(3.56%)
Supplies	493	1,331	1,331	-
Travel	-	1,500	1,500	-
Contractual/Other Services	5,818	8,721	8,701	(0.23%)
Equipment, Furnishings	-	-	-	-
<b>Manageable Direct Cost Total</b>	<b>783,369</b>	<b>788,434</b>	<b>760,721</b>	<b>(3.51%)</b>
Debt Service	-	-	-	-
<b>Non-Manageable Direct Cost Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Direct Cost Total</b>	<b>783,369</b>	<b>788,434</b>	<b>760,721</b>	<b>-</b>
<b>Intragovernmental Charges</b>				
Charges by/to Other Departments	(645,404)	(649,103)	(621,390)	(4.27%)
<b>Function Cost Total</b>	<b>137,965</b>	<b>139,331</b>	<b>139,331</b>	<b>-</b>
<b>Program Generated Revenue by Fund</b>				
Fund 101000 - Areawide General	137,965	139,331	139,331	-
<b>Program Generated Revenue Total</b>	<b>137,965</b>	<b>139,331</b>	<b>139,331</b>	<b>-</b>
<b>Net Cost Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Position Summary as Budgeted</b>				
Full-Time	5	5	5	-
Part-Time	1	1	1	-
<b>Position Total</b>	<b>6</b>	<b>6</b>	<b>6</b>	<b>-</b>

## Internal Audit Division Detail

### Internal Audit

(Fund Center # 106000, 106079)

	2020 Actuals	2021 Revised	2022 Approved	22 v 21 % Chg
<b>Direct Cost by Category</b>				
Salaries and Benefits	777,057	776,882	749,189	(3.56%)
Supplies	493	1,331	1,331	-
Travel	-	1,500	1,500	-
Contractual/Other Services	5,818	8,721	8,701	(0.23%)
<b>Manageable Direct Cost Total</b>	<b>783,369</b>	<b>788,434</b>	<b>760,721</b>	<b>(3.51%)</b>
Debt Service	-	-	-	-
<b>Non-Manageable Direct Cost Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Direct Cost Total</b>	<b>783,369</b>	<b>788,434</b>	<b>760,721</b>	<b>(3.51%)</b>
<b>Intragovernmental Charges</b>				
Charges by/to Other Departments	(645,404)	(649,103)	(621,390)	(4.27%)
<b>Program Generated Revenue</b>				
408380 - Prior Year Expense Recovery	24	-	-	-
430030 - Restricted Contributions	137,941	139,331	139,331	-
<b>Program Generated Revenue Total</b>	<b>137,965</b>	<b>139,331</b>	<b>139,331</b>	<b>-</b>
<b>Net Cost</b>				
Direct Cost Total	783,369	788,434	760,721	(3.51%)
Charges by/to Other Departments Total	(645,404)	(649,103)	(621,390)	(4.27%)
Program Generated Revenue Total	(137,965)	(139,331)	(139,331)	-
<b>Net Cost Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

### Position Detail as Budgeted

	2020 Revised		2021 Revised		2022 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	3	-	3	-	3	-
<b>Position Detail as Budgeted Total</b>	<b>5</b>	<b>1</b>	<b>5</b>	<b>1</b>	<b>5</b>	<b>1</b>

*Anchorage: Performance. Value. Results*

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## Internal Audit

*Anchorage: Performance. Value. Results.*

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### Mission

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### Core Services

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### Accomplishment Goals

- Provide the Assembly and Mayor with objective information by completing the requested audits and special projects in the approved annual audit plan.

### Performance Measures

Progress in achieving goals will be measured by:

<b>Measure 1: The number of audit reports issued</b>								
	2017	2018	2019	2020	2021 Q1	2021 Q2	2021 Q3	2021 Q4
# issued	14	17	17	13	0	5		



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

	2017	2018	2019	2020	2021 Q1	2021 Q2	2021 Q3	2021 Q4
# completed	21	15	16	15	4	7		

**Measure 3: The percentage of audit findings in reports of audit with management concurrence**

	2017	2018	2019	2020	2021 Q1	2021 Q2	2021 Q3	2021 Q4
% management concurrence	100%	100%	100%	100%	100%	100%		

**Measure 4: Total number of staff hours provided to the external auditors**

	2017	2018	2019	2020	2021 Q1	2021 Q2	2021 Q3	2021 Q4
# of staff hours to external auditors	444	339	362.75	N/A	N/A	N/A	N/A	N/A

**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.

