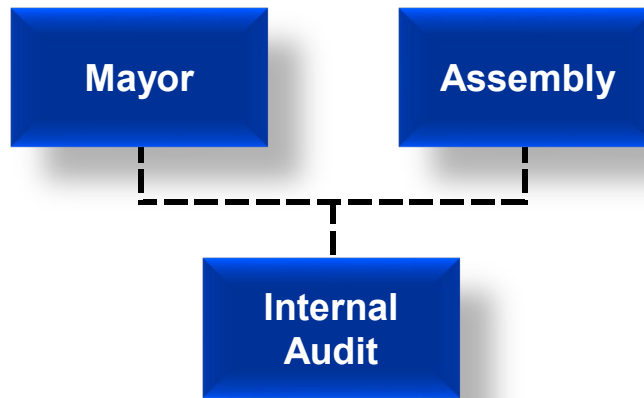


Internal Audit



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; and
- 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:



Exemplary Municipal Operations – Improve the efficiency and effectiveness of Municipal operations to deliver services faster and better.

- 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

	2021 Actuals	2022 Revised	2023 Proposed	23 v 22 % Chg
Direct Cost by Division				
Internal Audit	746,424	778,845	836,694	7.43%
Direct Cost Total	746,424	778,845	836,694	7.43%
Intragovernmental Charges				
Charges by/to Other Departments	(635,918)	(639,514)	(697,363)	9.05%
Function Cost Total	110,506	139,331	139,331	-
Program Generated Revenue	(110,506)	(139,331)	(139,331)	-
Net Cost Total	-	-	-	-
Direct Cost by Category				
Salaries and Benefits	739,241	767,313	826,257	7.68%
Supplies	587	1,331	1,331	-
Travel	-	1,500	1,500	-
Contractual/Other Services	6,597	8,701	7,606	(12.58%)
Debt Service	-	-	-	-
Direct Cost Total	746,424	778,845	836,694	7.43%
Position Summary as Budgeted				
Full-Time	5	5	5	-
Part-Time	1	1	1	-
Position Total	6	6	6	-

Internal Audit Reconciliation from 2022 Revised Budget to 2023 Proposed Budget

	Direct Costs	Positions		
		FT	PT	Seas/T
2022 Revised Budget	778,845	5	1	-
2022 One-Time Requirements				
- REVERSE - 2022 Prop - ONE-TIME - Leave Audit Technician position vacant for three quarters of the year	32,689	-	-	-
Changes in Existing Programs/Funding for 2023				
- Salaries and benefits adjustments	26,255	-	-	-
- Fleet adjustment	(1,095)	-	-	-
2023 Continuation Level	836,694	5	1	-
2023 Proposed Budget Changes				
- None	-	-	-	-
2023 Proposed Budget	836,694	5	1	-

Internal Audit Division Summary

Internal Audit

(Fund Center # 106000, 106079)

	2021 Actuals	2022 Revised	2023 Proposed	23 v 22 % Chg
Direct Cost by Category				
Salaries and Benefits	739,241	767,313	826,257	7.68%
Supplies	587	1,331	1,331	-
Travel	-	1,500	1,500	-
Contractual/Other Services	6,597	8,701	7,606	(12.58%)
Equipment, Furnishings	-	-	-	-
Manageable Direct Cost Total	746,424	778,845	836,694	7.43%
Debt Service	-	-	-	-
Non-Manageable Direct Cost Total	-	-	-	-
Direct Cost Total	746,424	778,845	836,694	-
Intragovernmental Charges				
Charges by/to Other Departments	(635,918)	(639,514)	(697,363)	9.05%
Function Cost Total	110,506	139,331	139,331	-
Program Generated Revenue by Fund				
Fund 101000 - Areawide General	110,506	139,331	139,331	-
Program Generated Revenue Total	110,506	139,331	139,331	-
Net Cost Total	-	-	-	-
Position Summary as Budgeted				
Full-Time	5	5	5	-
Part-Time	1	1	1	-
Position Total	6	6	6	-

Internal Audit Division Detail

Internal Audit

(Fund Center # 106000, 106079)

	2021 Actuals	2022 Revised	2023 Proposed	23 v 22 % Chg
Direct Cost by Category				
Salaries and Benefits	739,241	767,313	826,257	7.68%
Supplies	587	1,331	1,331	-
Travel	-	1,500	1,500	-
Contractual/Other Services	6,597	8,701	7,606	(12.58%)
Manageable Direct Cost Total	746,424	778,845	836,694	7.43%
Debt Service	-	-	-	-
Non-Manageable Direct Cost Total	-	-	-	-
Direct Cost Total	746,424	778,845	836,694	7.43%
Intragovernmental Charges				
Charges by/to Other Departments	(635,918)	(639,514)	(697,363)	9.05%
Program Generated Revenue				
408380 - Prior Year Expense Recovery	548	-	-	-
430030 - Restricted Contributions	109,958	139,331	139,331	-
Program Generated Revenue Total	110,506	139,331	139,331	-
Net Cost				
Direct Cost Total	746,424	778,845	836,694	7.43%
Charges by/to Other Departments Total	(635,918)	(639,514)	(697,363)	9.05%
Program Generated Revenue Total	(110,506)	(139,331)	(139,331)	-
Net Cost Total	-	-	-	-

Position Detail as Budgeted

	2021 Revised		2022 Revised		2023 Proposed	
	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	-
Position Detail as Budgeted Total	5	1	5	1	5	1

Internal Audit

Anchorage: Performance. Value. Results.

Mission

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.

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 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

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:

Measure 1: The number of audit reports issued								
	2018	2019	2020	2021*	2022 Q1	2022 Q2	2022 Q3	2022 Q4
# issued	17	17	13	22	1	2		

*Includes the reporting of Anchorage School District Internal Audit reports starting in 2021 3rd Quarter.

Measure 2: The number of special projects completed

	2018	2019	2020	2021*	2022 Q1	2022 Q2	2022 Q3	2022 Q4
# completed	15	16	15	22	4	2		

*Includes the reporting of Anchorage School District Internal Audit special projects starting in 2021 3rd Quarter.

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

	2018	2019	2020	2021	2022 Q1	2022 Q2	2022 Q3	2022 Q4
% management concurrence	100%	100%	100%	100%	100%	100%		

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

	2018	2019	2020	2021	2022 Q1	2022 Q2	2022 Q3	2022 Q4
# of staff hours to external auditors	339	362.75	N/A	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.

