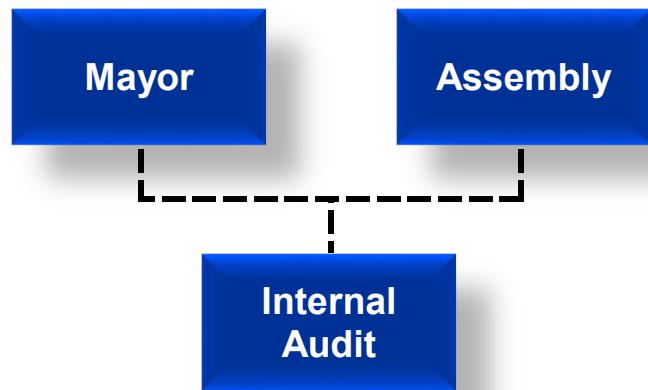


# Internal Audit



## 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.

Internal Audit (907)343-4438

632 W. 6th Ave. Suite 710 Anchorage, AK 99501

[https://www.muni.org/Departments/internal\\_audit](https://www.muni.org/Departments/internal_audit)

### 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:



**Good Government – Ensuring ethical and accountable government, balancing the budget, and delivering quality, effective government services.**

- 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

	2024 Actuals Unaudited	2025 Revised	2026 Approved	26 v 25 % Chg
<b>Direct Cost by Division</b>				
Internal Audit	691,268	924,869	947,876	2.49%
<b>Direct Cost Total</b>	<b>691,268</b>	<b>924,869</b>	<b>947,876</b>	<b>2.49%</b>
<b>Intragovernmental Charges</b>				
Charges by/to Other Departments	(551,523)	(785,538)	(808,545)	2.93%
<b>Function Cost Total</b>	<b>139,745</b>	<b>139,331</b>	<b>139,331</b>	-
Program Generated Revenue	(139,745)	(139,331)	(139,331)	-
<b>Net Cost Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Direct Cost by Category</b>				
Salaries and Benefits	684,793	914,745	938,865	2.64%
Supplies	1,866	1,331	1,331	-
Travel	-	1,500	1,500	-
Contractual/OtherServices	4,610	7,293	6,180	(15.26%)
Debt Service	-	-	-	-
<b>Direct Cost Total</b>	<b>691,268</b>	<b>924,869</b>	<b>947,876</b>	<b>2.49%</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 2025 Revised Budget to 2026 Approved Budget**

	Direct Costs	Positions		
		FT	PT	Seas/T
<b>2025 Revised Budget</b>	924,869	5	1	-
<b>Changes in Existing Programs/Funding for 2026</b>				
- Salaries and benefits adjustments	24,120	-	-	-
- Fleet	(1,113)	-	-	-
		<b>2026 Continuation Level</b>	<b>947,876</b>	<b>5</b>
<b>2026 Proposed Budget Changes</b>				
- None	-	-	-	-
		<b>2026 Approved Budget</b>	<b>947,876</b>	<b>5</b>

---

## 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:

<b><u>Measure 1: The number of audit reports issued</u></b>								
	2021	2022	2023	2024	2025 Q1	2025 Q2	2025 Q3	2025 Q4
# issued	22	17	12	20	2			

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

	2021	2022	2023	2024	2025 Q1	2025 Q2	2025 Q3	2025 Q4
# completed	22	16	12	14	3			

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

	2021	2022	2023	2024	2025 Q1	2025 Q2	2025 Q3	2025 Q4
% management concurrence	100%	100%	100%	100%	100%			

**Measure 4: Post Audit Survey Results (Within 30 days after an Audit Report is released, a Post Audit Survey consisting of the following audit satisfaction questions will be provided to the Auditee's Management. Each question will be answered in scale from 1 (worst) to 5 (Best). Our goal is to maintain an average score of 3.5 or above for each audit satisfaction question.**

	2021	2022	2023	2024*	2025 Q1	2025 Q2	2025 Q3	2025 Q4
What is your overall satisfaction of internal audit's performance for this audit?	N/A	N/A	N/A	4.5	4.5			
How much value do you believe the audit provided to your group/department?	N/A	N/A	N/A	4.5	4.0			
How likely are you to use internal audit in the future for your areas of concerns?	N/A	N/A	N/A	4.75	5.0			

\*Post Audit Survey results were started in 2024, Quarter 3.