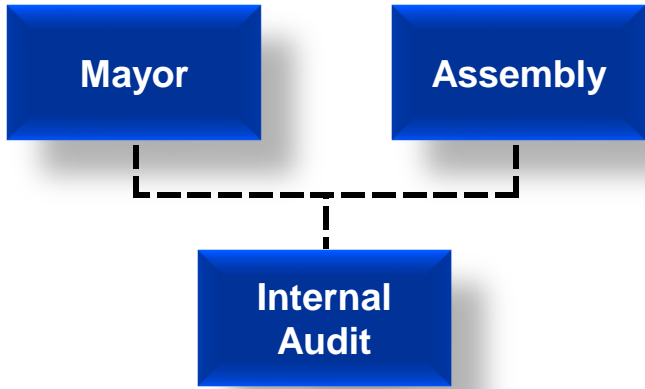


Internal Audit



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:



Good Government – Staffing up departments, balancing the budget, and delivering better 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

	2023 Actuals Unaudited	2024 Revised	2025 Proposed	25 v 24 % Chg
Direct Cost by Division				
Internal Audit	779,622	858,568	868,992	1.21%
Direct Cost Total	779,622	858,568	868,992	1.21%
Intragovernmental Charges				
Charges by/to Other Departments	(678,984)	(719,237)	(729,661)	1.45%
Function Cost Total	100,639	139,331	139,331	-
Program Generated Revenue	(100,639)	(139,331)	(139,331)	-
Net Cost Total	-	-	-	-
Direct Cost by Category				
Salaries and Benefits	759,988	849,622	860,046	1.23%
Supplies	798	1,331	1,331	-
Travel	-	1,500	1,500	-
Contractual/Other Services	7,277	6,115	6,115	-
Debt Service	-	-	-	-
Equipment, Furnishings	11,559	-	-	-
Direct Cost Total	779,622	858,568	868,992	1.21%
Position Summary as Budgeted				
Full-Time	5	5	5	-
Part-Time	1	1	1	-
Position Total	6	6	6	-

**Internal Audit
Reconciliation from 2024 Revised Budget to 2025 Proposed Budget**

	Direct Costs	Positions		
		FT	PT	Seas/T
2024 Revised Budget	858,568	5	1	-
Changes in Existing Programs/Funding for 2025				
- Salaries and benefits adjustments	10,424	-	-	-
2025 Continuation Level	868,992	5	1	-
2025 Proposed Budget Changes				
- None	-	-	-	-
2025 Proposed Budget	868,992	5	1	-

Internal Audit Division Summary

Internal Audit

(Fund Center # 106000, 106079)

	2023 Actuals Unaudited	2024 Revised	2025 Proposed	25 v 24 % Chg
Direct Cost by Category				
Salaries and Benefits	759,988	849,622	860,046	1.23%
Supplies	798	1,331	1,331	-
Travel	-	1,500	1,500	-
Contractual/Other Services	7,277	6,115	6,115	-
Equipment, Furnishings	11,559	-	-	-
Manageable Direct Cost Total	779,622	858,568	868,992	1.21%
Debt Service	-	-	-	-
Depreciation/Amortization	-	-	-	-
Non-Manageable Direct Cost Total	-	-	-	-
Direct Cost Total	779,622	858,568	868,992	-
Intragovernmental Charges				
Charges by/to Other Departments	(678,984)	(719,237)	(729,661)	1.45%
Function Cost Total	100,639	139,331	139,331	-
Program Generated Revenue by Fund				
Fund 101000 - Areawide General	100,639	139,331	139,331	-
Program Generated Revenue Total	100,639	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)

	2023 Actuals Unaudited	2024 Revised	2025 Proposed	25 v 24 % Chg
Direct Cost by Category				
Salaries and Benefits	759,988	849,622	860,046	1.23%
Supplies	798	1,331	1,331	-
Travel	-	1,500	1,500	-
Contractual/Other Services	7,277	6,115	6,115	-
Equipment, Furnishings	11,559	-	-	-
Manageable Direct Cost Total	779,622	858,568	868,992	1.21%
Debt Service	-	-	-	-
Non-Manageable Direct Cost Total	-	-	-	-
Direct Cost Total	779,622	858,568	868,992	1.21%
Intragovernmental Charges				
Charges by/to Other Departments	(678,984)	(719,237)	(729,661)	1.45%
Program Generated Revenue				
408380 - Prior Year Expense Recovery	683	-	-	-
430030 - Restricted Contributions	99,955	139,331	139,331	-
Program Generated Revenue Total	100,639	139,331	139,331	-
Net Cost				
Direct Cost Total	779,622	858,568	868,992	1.21%
Charges by/to Other Departments Total	(678,984)	(719,237)	(729,661)	1.45%
Program Generated Revenue Total	(100,639)	(139,331)	(139,331)	-
Net Cost Total	-	-	-	-

Position Detail as Budgeted

	2023 Revised		2024 Revised		2025 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								
	2020	2021	2022	2023	2024 Q1	2024 Q2	2024 Q3	2024 Q4
# issued	13	22	17	12	2	3		

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

Measure 2: The number of special projects completed

	2020	2021*	2022	2023	2024 Q1	2024 Q2	2024 Q3	2024 Q4
# completed	15	22	16	12	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

	2020	2021	2022	2023	2024 Q1	2024 Q2	2024 Q3	2024 Q4
% management concurrence	100%	100%	100%	100%	100%	100%		

Measure 4: Post Audit Survey Results (Within 30 days after an Audit Report is released, an Post Audit Survey consists 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.

	2020	2021	2022	2023	2024 Q1	2024 Q2	2024 Q3	2024 Q4
What is your overall satisfaction of internal audit's performance for this audit?	N/A	N/A	N/A	N/A	N/A	N/A		
How much value do you believe the audit provided to your group/department?	N/A	N/A	N/A	N/A	N/A	N/A		
How likely are you to use internal audit in the future for your areas of concerns?	N/A	N/A	N/A	N/A	N/A	N/A		

Note: Complaint/Compliment/Comment Received through the survey in the past quarter will be reported here verbatim. (Sensitive items such as names, positions, and gender will be redacted)

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.

