

FREE PRACTICAL CHECKLIST

INTERNAL AUDIT RESOURCE LIBRARY

TRAVEL & EXPENSE

Travel & Expense Audit Checklist

A practical checklist for policy compliance, approvals, reimbursement and fraud indicators.

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How to use this checklist

This checklist is designed as a practical fieldwork aid for travel & expense audit. Use it to prepare interviews, structure testing and document areas requiring deeper evidence. A checked box should mean the point was considered and supported - not simply that a question was asked.

SIMPLE STATUS KEY

- ☐ **Done** Evidence supports the point
- ☐ **Review** More evidence or clarification needed
- ☐ **N/A** Not applicable - document why

Policy and booking

- ☐ **01** Travel policy defines limits, classes and exception authority.
- ☐ **02** Hotel and transport limits reflect realistic market conditions.
- ☐ **03** Pre-trip approval is required for material travel where appropriate.
- ☐ **04** Business purpose is documented before or with the expense.
- ☐ **05** Preferred agency or booking channels are used or exceptions explained.

AUDITOR NOTES / EVIDENCE

Expense review

- ☐ 06 Receipts and supporting documentation are complete.
- ☐ 07 Dates, locations and merchant data align with the trip.
- ☐ 08 Claims are submitted by the employee rather than pooled without accountability.
- ☐ 09 Approvers review substance, not only completion.
- ☐ 10 Advances and corporate-card balances are reconciled promptly.

Risk prompts

- What could fail even if the documented procedure looks adequate?
- Where can one person initiate, change and approve the same outcome?
- Which exceptions are common enough to have become normal practice?
- What data pattern would indicate control bypass or management override?

TESTING NOTES / EXCEPTIONS

Analytics and red flags

- ☐ 11 Duplicate amounts, receipts and transactions are tested.
- ☐ 12 Weekend/personal extensions and companion costs are identified.
- ☐ 13 Taxi, hotel and meal spend trends are reviewed by employee and route.
- ☐ 14 Repeated policy overrides by the same employee/approver are analyzed.
- ☐ 15 High-value exceptions have documented business justification.

Evidence to retain

- ☐ 01 Relevant system reports or extracts with source and period visible.
- ☐ 02 Approval/workflow evidence for selected high-risk items.
- ☐ 03 Screenshots or logs supporting key control steps and exceptions.
- ☐ 04 Reconciliations or reperformance showing how the conclusion was reached.
- ☐ 05 Management explanation only where corroborated or clearly identified as explanation.

Use data to challenge the checklist

Where transaction data is available, do not rely only on samples. Run targeted tests that identify unusual behavior, control bypass and concentrations. Adapt the tests below to the process and available fields.

- ☐ **01** Trend exceptions by user, approver, location, vendor/customer or month.
- ☐ **02** Identify transactions just below approval or policy thresholds.
- ☐ **03** Search for duplicates, repeated round values and unusual timing.
- ☐ **04** Compare master-data changes with subsequent transactions or payments.
- ☐ **05** Review override, manual-entry and emergency/urgent indicators.
- ☐ **06** Investigate outliers that combine multiple risk indicators.

RED-FLAG RULE

A red flag is not proof of wrongdoing. Treat it as a reason to obtain more evidence. Combine pattern, business context, approval history and supporting records before reaching a conclusion.

Completion and conclusion

Before you close the checklist

- ☐ **01** All material exceptions have an evidence reference.
- ☐ **02** Open questions have an owner and due date.
- ☐ **03** Control design issues are separated from isolated execution errors.
- ☐ **04** Recurring exceptions have been considered for root cause and systemic impact.
- ☐ **05** The conclusion is proportionate to evidence and business risk.
- ☐ **06** Any issue requiring escalation has been communicated promptly.

FINAL CONCLUSION

Overall assessment / key message:

Owner / follow-up date:
