

## HANDOUT B - Test Prioritization Form

### General Information

Audit Name or Project:	Expense Report Continuous Auditing		
Team Member:	XXXXXX	Audit Start Date:	1/1/2011
Requester's Name:	XXXXXX	Drop Dead Date:	4/30/2011
Application Name:	PeopleSoft	Application Contact:	XXXXXX
Date Started	1/1/2011	Status:	

### Expectations

Name/ Description	Purpose / Objective	Expected Output (Sample/Exception , etc.)	Report Frequency	Associated Risks (policy, compliance violations, potential loss revenue.)	Est. Hours	Approach	ECD
High Priority							
1a. Cash Reimbursements	Identify cash amounts reimbursed that are not related to mileage or parking	Exception report	Monthly	Policy violation		Join Expense Header to Expense Line table Filter for EXPEND_MTHD = CSH and EXPENSE_TYPE <> MILEAGE or PARKING Report on other transactions	Initial report complete 4/15
1b. Expenses submitted multiple times	Identify cases of cash reimbursement submitted multiple times or paid previously via P-card	Exception report	Monthly	Policy violation		Join Expense_Header and Expense_Line for each month. Append at least 3 months charges Review transactions for duplicates for same employee, same amount.	4/15

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1c. Airfare	Identify airfare costing more than an acceptable amount or first class airfare	Exception Report	Monthly	Policy violation		Join Expense Header to Expense line. Filter for EXPENSE_TYPE = AIRFARE Filter for TXN_AMOUNT > ??	Initial report complete Need to determine filter amount 4/15
1d. Higher Ranking Employee Expenses	Determine whether an employee pays expenses for higher ranking employee	Exception Report	n/a	Policy Violation		Join Expense Header, Expense line, and Attendee data (use manager level?) Compare titles/manager level of AGL attendees to cardholder Report an instances of cardholder with lower manager level than attendee For lobbyist, may return false positive as registered lobbyist will pay even if with higher ranking employee in certain circumstances.	Attendee data is manually entered. Matching to supervisor data is not reliable
1e. Mileage	Identify repetitive mileage expenses	Exception Report	Monthly	Policy Violation		Need clarification	4/15

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1f. Personal Charges	Identify charges incurred for personal use (described as “spouse”, “error”, “reimburse”, etc.) Also, ID spouse charges	Exception Report/trend analysis	Monthly	Policy violation		Identify the individual and the number and amount of personal charges. Append each new month's data. Export to EXCEL to create a pivot table by person by month to select card holders to review. Spouse charges – charges where attendee has same last name as employee but different first name.	Initial report complete 4/15
1g. Documentatio n not submitted	Identify expense reports without receipts attached	Existing query	Monthly	Policy violation		Existing query written by PS Support. Include in output for review by Financial Auditors	Query received 4/15
1h. Split transactions	Identify expenses from same vendor on same day	Exception report	Monthly	Policy violation		Review transactions for duplicates for same employee, same vendor, same day. Amount may be different so we won't match on that.	Initial Report Complete 4/15
1i. Gas charges	Identify multiple gas charges within 48 hours	Exception report	Monthly	Reasonableness of charges		Join Expense Header and Expense line Select Expense line, EXPENSE_TYPE = GAS OR FLTFUEL Report	Initial Report Complete 4/15

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1j. Non-business day purchases	Identify purchases made on weekends or holidays	Exception Report	Monthly	Reasonableness		Join Expense Header and Expense Line Summarize transactions by day. Report on any transactions on Saturday, Sunday, or Holidays	Initial Report Complete 4/15
1k. Gift cards	Identify charges incurred for the purchase of gift cards (Requested by RL)	Exception report	Monthly	Reasonableness		Identify the individual and the number and amount of giftcard purchases.	4/15
Medium Priority							
2a. Employee Vendors	Find vendors with same addresses as employees	Exception Report		Fraud		Compare addresses on the AP VENDOR table to employee addresses in HRMS	
2b. Incorrectly expenses employee meals	Identify employee only meals coded to 50% deductible (entertainment) accounts	Exception Report		Policy violation		Join Expense Header, Expense line, and Attendee data, and distribution line Select all meals charged to entertainment (50% deductible) Report on any instances with only AGL attendees	
2c. Non-descriptive Business Purpose	Identify non-descriptive business purpose on expense report	Exception Report		Policy violation		??	

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2d. Attendees not listed on meals	Identify meals where attendees are not listed	Exception Report		Policy violation		Join Expense Header, Expense line, and Attendee data Select all meals charged to entertainment (50% deductible) Report on any instances without attendees ** Does PS allow this to occur?	
2e. Timeliness of Submission	Identify expenses submitted over 30 days past the incurred date	Exception Report		Policy violation		Join Expense Header to Expense line. Compare submission_date from Expense Header to trans_date from Expense line Report on any instances where there is more than 30 days between the dates.	

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2f. Use of non-preferred suppliers	Identify inappropriate purchases from Dell or from other computer store or for computer software made via P-card or reimbursed.	Exception report		Policy violation		Join Expense Header and Expense Line Summarize transactions by vendor Review for computer related vendors Report on any suspicious vendors Alternatively, review Chase file for Merchant Category Code related to computers. Select vendors Report on any transactions to those vendors.	
2g. Civic Participation	Identify charitable donations made outside the AGL Foundation	Exception report		Reasonableness of charges		Join Expense Header, Expense Line, and Expense Distribution Report on any charges to the civic participation account.	
2h. Top Spend	Show employees with highest expenses for the month	Trend report		Reasonableness of charges		Summarize Expense Header on Total Amount Report on top spenders for month	

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2i. Inappropriate Vendors	Report on any unusual vendor codes (MCC Codes) (i.e. Doctor, medical, dentist, hospital)	Exception report		Policy violation		<p>Look at EX_VIS_MCG_MAP for vendor codes allowed. We can look at the Chase file for codes as well AGL does not populate Merchant Category Codes in PS. If the code for a transaction does not exist, the on EX_VIS_MCG_MAP, PS will not accept the transaction.</p> <p>** Review Chase list of prohibited vendors – how are attempts to charge at prohibited vendors handled by Chase?</p> <p>What happens if you purchase computer equipment at a vendor that is approved like Wal-mart</p>	

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2j. Inappropriate purchases	Identify items that should not be put on a P-Card (i.e. pet/dog boarding, child/kid care costs)	Exception Report		Policy violation		Look at description field for child/kid care expenses and pet/dog boarding expenses	
Low Priority							
3a. Unused p- cards	Identify unused p- cards (inactive for 9 months or more)	Report of unused cards		Reasonableness		Obtain a list of P-card holders Summarize PS_EX_TRANS on card number. Concatenate 9 months of summaries. Join card holder file to summarized transaction file and report any unmatched cards.	
3b. Internet charges	Identify items purchased via PayPal, Amazon, eBay	Exception report		Reasonableness		Join Expense Header and Expense Line Summarize transactions by vendor Review for suspicious vendors Report on transactions to those vendors	



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3c. Excessive meal charges	Identify meals where the cost per attendee was greater than \$100	Exception report		Reasonableness		Join Expense Header, Expense line, and Attendee data Count number of attendees Divide cost of meal by number of attendees Report any occurrences of >\$100 per attendee	
3d. Big Box Retailer Trends	Identify employees with largest spend at Wal-Mart, Target, Home Depot, Lowes, Publix, & Kroger	Trend report		Reasonableness		Join Expense Header and Expense Line files. Filter for vendors in question Summarize transactions by employee Join summarized files for a number of months Report on top spenders by month	
3e. Employee gifts	Identify gifts that are purchased on the P-card for employees	Trend Report		Reasonableness			

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3f. Telecom/ Internet Charges	Identify individuals that are putting telecom or internet charges on their P-card (Verizon, AT&T, Sprint, Comcast etc) (In looking at this we can exclude individuals that are putting them on there and we are aware of it (Surber, etc)	Exception Report		Policy Violation			