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Auditing expense reports requires auditors to closely examine each expense to verify if the correct receipts are attached, and make sure the receipt matches the information input by the employee. This may sound daunting, but this process is essential for catching potential mistakes – or worse, fraud within travel and entertainment (T&E) spend.

Catch discrepancies between the receipt and user inputs

At the end of the day, employees are human, and humans make mistakes. Take for example an employee who traveled to the UK and submitted their hotel stay as \$300,000 instead of the actual charge of \$300. Is this potential fraud?

Nope – at least not this time. In this case, it was just an honest mistake. For anyone

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Avoid out-of-policy spend with itemized receipts

Using AI to read the contents of every receipt will help companies detect out-of-policy purchases such as drinks from the mini-bar in a hotel room. This type of violation can easily be hidden by submitting a non-itemized receipt.

To avoid out-of-policy purchases from slipping through the cracks, we recommend companies require itemized receipts for certain expenses such as meals and hotels. Our AI's receipt verification will detect and flag any reports that don't have an itemized receipt attached to line items marked as meal or hotel expenses.

Prevent overly generous or creative tippers

Most would agree that it's common courtesy to tip a server or taxi driver. In the US, this often rounds up to roughly 15% of the total. Some may argue that great service is worthy of a 20% tip, however, it's unlikely that any auditor would agree that an 80% percent tip is reimbursable when it's on the company's dime.

Whether the employee is just extremely generous, or perhaps cleverly adds an extra number in front of the original tip amount for their own financial gain, our AI will flag the potential risk to an auditors' attention for further investigation.

Optimize receipt verification efforts

We often hear that requiring a receipt for low-dollar purchases is a headache for auditors. In fact, efforts spent penny-pinching often cost the company more money than it saves, because auditor time is wasted looking over every receipt.

Detecting greater financial risks often yield a greater impact when reducing T&E spend and, therefore, should be the primary focus of the auditor's attention. We recommend considering a [\\$75 threshold for receipts](#) on entertainment, meals, gifts,

and travel expenses. Not only will this help travelers submit their expense reports in

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Travis Andrade

Travis is a Senior Product Marketing Manager at [AppZen](#).

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