

Internal Control Expense Audit Report

Report Date: June 12, 2024
Period Covered: January 1, 2024 — May 31, 2024
Department/Unit: Finance Department
Prepared by: Jane Doe, Internal Auditor

1. Objective

The objective of this audit is to review and evaluate the adequacy and effectiveness of internal controls related to expense processing and reporting within the Finance Department for the stated period.

2. Scope

This audit covers all expense transactions processed and approved from January 1, 2024 to May 31, 2024, including payroll, procurement, travel expenses, and petty cash claims.

3. Methodology

- Review of expense documentation and approvals
- Sample testing of transactions
- Interviews with key personnel
- Assessment of policies and procedures

4. Summary of Findings

#	Finding	Risk Level	Recommendation
1	Missing supporting documents for some expense claims	Medium	Ensure documentation is complete before approval
2	Delayed expense approvals	Low	Enforce timeline for approval process
3	Non-compliance with travel policy on advance notice	High	Provide refresher training on travel policy

5. Recommendations & Action Plan

Management should:

- Conduct periodic training on internal control procedures
- Implement stricter monitoring of expense documentation
- Review and update expense approval workflows
- Perform regular spot checks and internal reviews

6. Conclusion

While controls over expense management are generally adequate, opportunities for improvement exist in documentation and compliance with established procedures.

Important Notes:

- This report is intended for internal management use only.
- All findings should be addressed within the implementation timeline.
- Confidentiality of audit information must be maintained.
- Follow-up audits may be scheduled to assess progress.