TOP 10 T&E ANALYTICS

For many businesses, T&E represents a significant spend, with a high risk of exposure to costly abuse, misuse and fraud. Generally, controls within this business process are manual or a matter of policy.

ACL has extensive experience developing analytic tests that can help you monitor and analyze expense data as well as confirm adherence to the policies that guide spending behavior. Get started today with our top 10 tests.

Tests for T&E Expense Processing

Duplicate Charges: Corporate Card and Out-of-pocket	Ensure that all charges claimed by an employee are valid and not repeated. Identify all instances where an employee has charged the same amount on the same day where one transaction was a corporate card expense and the other was an out-of-pocket reimbursable expense.
Suspicious Keyword Match	Validate all transactions are for authorized purposes. Identify all T&E transactions that contain words from the Restricted Word list anywhere in the merchant name, transaction description, business purpose field that indicates a potentially unauthorized purchase.
Round Amounts	Detect potential fraud and abuse for unauthorized gift cards, cash advances, or excessive tips, identify T&E transactions that are evenly divisible by <<round amount divisor>>.
Excessive High-Risk Expense Categories	Detect potential fraud and abuse of expense types that require less documentation. Identify employees who have transactions in High-Risk expense categories that exceeded thresholds for either the count or total amount. *Common High-Risk expense categories: Tips, Miscellaneous, Baggage Fees, etc.*
Group Meal Amount per Attendee	Ensure that all attendees are properly documented and prevent excessive group meal expenses. For each expense identified as a group meal, calculate the amount per attendee, and report group meals where the amount per attendee is greater than a specified threshold.
Gas without Rental	Detect potential fraud and abuse of employees submitting personal gasoline expenses. Identify any expenses in the gas category that is not accompanied by a car rental expense in that category.
Unusual Merchant Category Codes (MCC)	Detect potential fraud or abuse, identify expenses with Merchant Category Codes (MCC) whose frequency in the population is less than a threshold (by percentage) but total to greater than another threshold.
Charges made on Vacation/Holidays	Identify expenses with transaction dates falling either during an employee's vacation or on a holiday. *Note: This test would require employee vacation schedules. Alternatively, a test could be made to test for expenses made within X days of an employee's termination to confirm validity.*
Expenses per Hotel Ratio	To detect potential circumvention of corporate purchasing controls, calculate employees' expense per hotel ratio, reporting employees with excessively high ratios.
Meals over Threshold	To detect potential miscategorization of group meals as an individual meal, identify meals where the amount is greater than a threshold. *Note: This test may yield a lot of transactional results; one approach is to highlight worst offending employees by either count or aggregate exception amount.*

T&E analysis not only supports compliance, but can lead to direct improvements in process efficiency and generates considerable value through cash optimization.

Need assistance?

Talk to an ACL expert to learn how to meet the challenges inherent in managing T&E expense processing

Call 1-888-669-4225 to speak with a representative or email us at info@acl.com