

Invalid Travel Receipts Travel Fund Embezzlement

The Scenario

While working on a travel audit, the auditor noted some lodging receipts had missing dates and the hotel logo did not look authentic. The auditors thought that the employee submitting the receipts might have used a scanner to create phony travel documents. To determine whether the guest receipts were valid, the auditor called the manager of the lodging facility and asked whether the employee stayed at the hotel on the dates claimed. The manager stated that the employee had not been a guest at the hotel for over a year. The auditor then reviewed the employee's time and attendance records and discovered that the employee was in the office on the dates the unauthorized travel expenses were claimed. Additional review of the employee's travel claims showed that they had been submitting false claims to the Government agency for over one year.

General Comments / Lessons Learned. Desktop publishing has become a standard tool used to create counterfeit documents including travel receipts, letters of credit, and business letterheads. In recent years, the equipment has become less expensive to acquire, easier to use, and more sophisticated. Auditors should be aware of desktop publishing capabilities and closely examine any travel receipts or other supporting documentation that does not appear authentic.

FRAUD INDICATORS

- **Receipts are incomplete and do not appear to be authentic.**
- **The printing on a hotel or motel billing does not resemble other travel receipts submitted by employees lodging at the same facility.**
- **Imprints of credit cards on hotel receipts appear to be flawed or incomplete.**