

EX-02 Audit Expense Report

Purpose

The purpose of this Quick Reference Guide (**QRG**) is to provide a step-by-step explanation of how to Audit Expense Reports in the North Carolina Financial System (**NCFS**).

Introduction and Overview

This QRG covers the audit of expense reports in NCFS which will enable you to confirm if all expenses are within policy and that required receipts are provided and valid for the underlying expense.

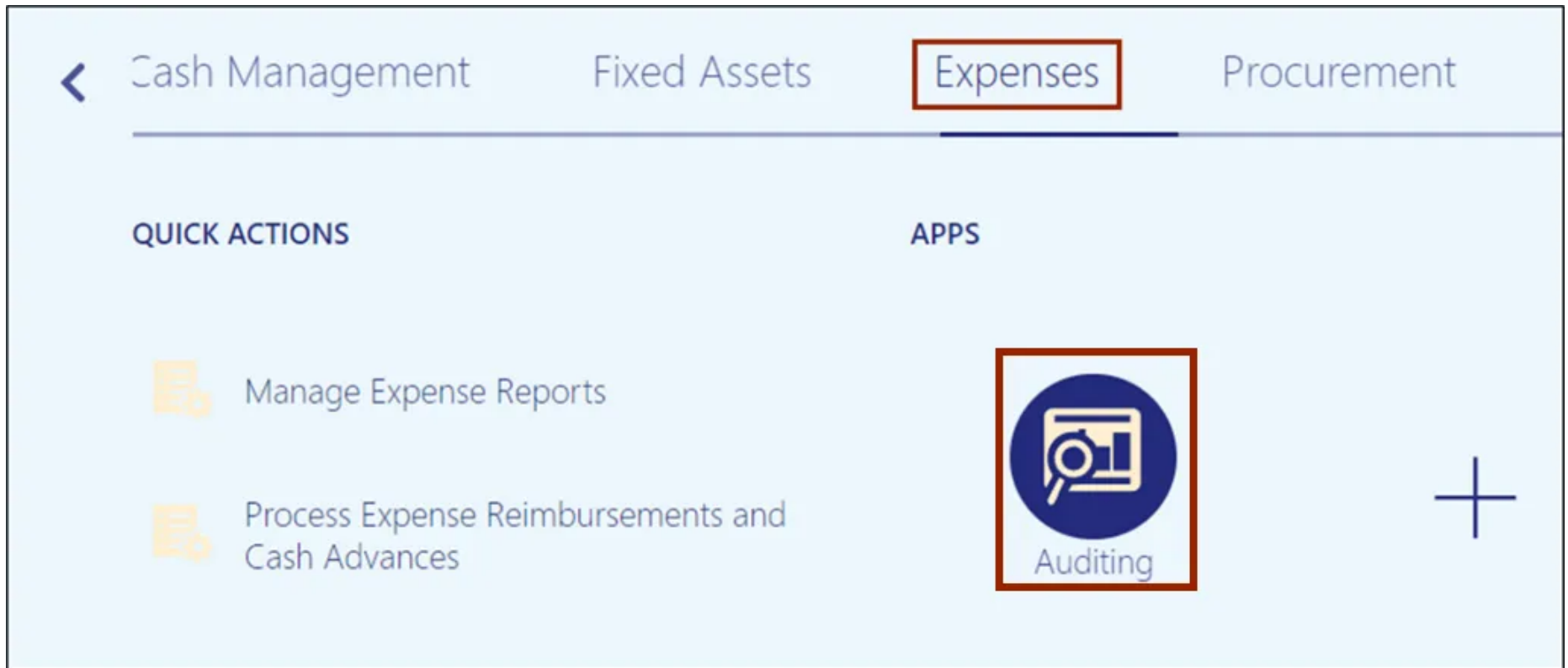
Audit Expense Reports

To Audit Expense Reports in the NCFS, please follow the steps below. There are 16 steps to complete this process.

Step 1. Log in to the NCFS portal with your credentials to access the system.

Step 2. On the **Home** page, click the **Expenses** tab and click the **Auditing** app.

Image



Step 3. Click the **Tasks** icon and select **Manage Expense Reports**.

Image

Auditing ?

Expense Reports Pending Review

View ▼Format ▼

Detach

Wrap

Audit Expense Report

Report Number	Person	Business Unit	Date	Report Total	Audit Reasons	Audit
0800ER000097...	BUCKNER, DA...	0800 DEPARTM...	12/7/22	500.00 USD	Amount over thr...	Imaged
1400ER000097...	LADA, DAQUIL...	1400 OFFICE O...	12/2/22	500.00 USD	Amount over thr...	Imaged receipts
1400ER000097...	LADA, DAQUIL...	1400 OFFICE O...	12/5/22	700.00 USD	Amount over thr...	Imaged receipts

Audit Expense Report

- Manage Expense Reports
- Manage Receipt Packages
- Manage Expense Audit List Membership
- Manage Cash Advances
- Manage Expense Contingent Worker

Process Expense Reimbursements and Cash Advances

- Process Expense Reimbursements and Cash Advances
- Review Rejected Expense Reports and Cash Advances
- Review Payment Requests
- Review Invoices
- Process Overdue and Missing Receipts

Step 4. On the **Manage Expense Reports** page, the Search results default to Expense Reports “Pending expense auditor approval”. Click the **Search** button.

Image

Manage Expense Reports ?

Done

Search

Basic

Saved Search

Expense Reports Pending Approval ▼

** At least one is required

** Report Number

Equals ▼

** Report Status

Equals ▼

Pending expense auditor approval ▼

** Business Unit

Equals ▼

** Person

Equals ▼

** Report Submission Date

Equals ▼

m/d/yy

** Expense Auditor

Equals ▼

** Assigned to Auditor

Equals ▼

Search

Reset

Save...

Add Fields ▼

Reorder

Step 5. Under the **Search Results** section, highlight the **Expense Report** to be audited and click the **Audit Expense Report** button.

Image

Search Results

View ▼ Format ▼    Detach  Wrap **Audit Expense Report** Assign

	Report Number	Person	Business Unit	Report Status	Expense Report Date	Report Total (USD)	Purpose	Audit Reasons
	1400ER000097...	LADA, DAQUIL...	1400 OFFICE O...	Pending expense auditor approval	12/5/22	20.00	Accommodation...	Amount over thr..
	1400ER000097...	LADA, DAQUIL...	1400 OFFICE O...	Pending expense auditor approval	12/5/22	700.00	Entertainment fo...	Amount over thr..
	1400ER000097...	LADA, DAQUIL...	1400 OFFICE O...	Pending expense auditor approval	12/2/22	500.00	Hotel	Amount over thr..
	0800ER000097...	BUCKNER, DA...	0800 DEPART...	Pending expense auditor approval	12/7/22	500.00	Test Expense R...	Amount over thr..
	1400ER000108...	LADA, DAQUIL...	1400 OFFICE O...	Pending expense auditor approval	12/5/22	3,000.00	Feb8_Test	Amount over thr..

Step 6. On the **Audit Expense Report** page, review the **Expense Items** details including **Expense Types**, **Reimbursable Amounts**, **Receipt Attachments** columns, and other Expense Report submission/approval comments.

Note: you can scroll to the right to view more columns.

Image

Expense Report

Person LADA, DAQUILLA (EXPJ1400)

☐ Add to audit list

Reason

Report Submission Date 12/5/22

Expense Report Date 12/5/22

Report Total 20.00 USD

Purpose Accommodation Expense Report 12/5/22

Original Receipt Package Check in Date

m/d/yy

Report Filing Number

Attachments None

Status Pending expense auditor approval

Expense Items

View Format Freeze Detach Wrap Expense Category All Audit Reasons

[Receipt Verification](#) [Policy Verification](#) [Merchant Tax](#) [Audit Reasons](#)

Expense Type	Expense Class	Date	Reimbursable Amount (USD)	Policy Violation	☐ Receipt Verifier Att	Amount (USD)	Conversion Rate	Single instance limit	Daily sum limit
Accommodatic	Business	12/5/22	20.00		☐	20.00	1		78.90

Step 7. Click the **Expense Type** row to view additional details of the expenses.

In this example, we choose **Accommodation**. The details are displayed below.

Image

Expense Items

View
Format
Freeze
Detach
Wrap
Expense Category
All
Audit Reasons

Receipt Verification
Policy Verification
Merchant Tax
Audit Reasons

Expense Type	Expense Class	Date	Reimbursable Amount (USD)	Policy Violation	Receipt Verification					Amount (USD)
					Original Receipt Required	Imaged Receipt Required	Receipt Missing	Receipt Verifier Att		
Accommodation	Business	12/5/22	20.00		—	✓	—	☐		20.00

Accommodations 12/5/22: Details

* Account
1400-102000-52721000-1402451-000
Checkout Date
m/d/yy

Step 8. Click the **Expense Type** link to view all the report details.

In this example, we choose **Accommodation**.

Image

Expense Items

View
Format
Freeze
Detach
Wrap
Expense Category
All
Audit Reasons

Receipt Verification
Policy Verification
Merchant Tax
Audit Reasons

Expense Type	Expense Class	Date	Reimbursable Amount (USD)	Policy Violation	Receipt Verification				Amount (USD)
					Original Receipt Required	Imaged Receipt Required	Receipt Missing	Receipt Verifier Att	
Accommodatic	Business	12/5/22	20.00		—	✓	—	☐	20.00

Accommodations 12/5/22: Details

* Account
1400-102000-52721000-1402451-000
Checkout Date
m/d/yy

Step 9. The **Expense Item Detail** page opens. Review and validate the Expense Item details and any attachments, and then click the **Save and Close** button.

Note: If a specific Expense Type is not eligible for reimbursement it would need to be Short Paid.

Image

Accommodations 12/5/22

Save and Close
Cancel

* Date
12/5/22

* Type
Accommodations

* Expense Location
NC, United States

Amount
20.00 USD

Number of Days
1

Daily Amount
20.00 USD

Reimbursable Amount
20.00 USD

Description

Tax Code

Merchant Name

Attachments

Drag files here or click to add attachment

IMG1_ER.PNG (14.29 KB)

Receipt missing

* Account
1400-102000-52721000-1402451-000

Step 10. Select the **Expense Type** not eligible for reimbursement.

In this example, we choose **Entertainment**.

Image

Expense Items

View

Format

Freeze

Detach

Wrap

Expense Category

All

Audit Reasons

Receipt Verification

Policy Verification

Merchant Tax

Audit Reasons

Expense Type	Date	Reimbursable Amount (USD)	Policy Violation	Policy Verification						Merchant Tax					
				Yearly limit	Lifetime limit	Ju	Short Pay	Audit Issue	Additional Information	Expense Location	Tax Classification Code	Merchant Name	Receipt Number	Merchant Reference	Tax Register Number
Entertainment	5/9/23	2,000.00					☒	Policy noncompliance	Expense not eligible for reimbursement	NC, United States					
Other - In Stat	5/9/23	1,000.00					☐			NC, United States					
Miscellaneous	5/9/23	500.00					☐			NC, United States					

Step 11. Click the **Short Pay** checkbox for **Expense Type** not eligible for reimbursement.

In this example, we choose **Entertainment**.

Note: If an item is selected as 'Short Pay', that item is completely removed from the Expense Report and goes back to the Expense Preparer.

Image

The screenshot shows the 'Expense Items' form with the 'Policy Verification' tab selected. The 'Short Pay' checkbox is checked for the 'Entertainment' expense type. The 'Additional Information' field contains the text 'Expense not eligible for reimbursement'.

Expense Type	Date	Reimbursable Amount (USD)	Policy Violation	Yearly limit	Lifetime limit	Short Pay	Audit Issue	Additional Information	Expense Location	Tax Classification Code	Merchant Name	Receipt Number	Merchant Reference	Tax Registration Number
Entertainment	5/9/23	2,000.00				☒	Policy noncompliance	Expense not eligible for reimbursement	NC, United States					
Other - In Stat	5/9/23	1,000.00				☐			NC, United States					
Miscellaneous	5/9/23	500.00				☐			NC, United States					

Step 12. Enter **Audit Issue** and **Additional Information** as required to show why the **Expense Type** is not eligible for reimbursement.

Image

The screenshot shows the 'Expense Items' form with the 'Policy Verification' tab selected. The 'Audit Issue' and 'Additional Information' fields are filled out for the 'Entertainment' expense type. The 'Additional Information' field contains the text 'Expense not eligible for reimbursement'.

Expense Type	Date	Reimbursable Amount (USD)	Policy Violation	Yearly limit	Lifetime limit	Short Pay	Audit Issue	Additional Information	Expense Location	Tax Classification Code	Merchant Name	Receipt Number	Merchant Reference	Tax Registration Number
Entertainment	5/9/23	2,000.00				☒	Policy noncompliance	Expense not eligible for reimbursement	NC, United States					
Other - In Stat	5/9/23	1,000.00				☐			NC, United States					
Miscellaneous	5/9/23	500.00				☐			NC, United States					

Step 13. Alternatively, if the full amount of an expense line item is not eligible for reimbursement, then update the **Reimbursable Amount** to the correct eligible amount. Validate the other **Expense Items** and then click the **Receipt Verified** checkbox to validate the expense.

Image

Expense Items													
View ▾ Format ▾ Freeze Detach Wrap Expense Category All Audit Reasons ▾													
Receipt Verification Policy Verification Merchant Tax Audit Reasons													
	Expense Type	Date	Reimbursable Amount (USD)	Policy Violation	Receipt Verification			Att	Amount (USD)	Conversion Rate	Single instance limit	Daily	
					Original Receipt Required	Imaged Receipt Required	Receipt Missing						
	Entertainment	5/9/23	2,000.00		—	✓	—	☐ Receipt Verified	2,000.00	1			
	Other - In Stat	5/9/23	1,000.00		—	✓	—	☒ Receipt Verified	1,000.00	1			
	Miscellaneous	5/9/23	500.00		—	✓	—	☒ Receipt Verified	500.00	1			

Step 14. For taking any other action based on the review, click the **Actions** button and select the required option from the drop-down choice list.

Image

Audit Expense Report: 1400ER000097434368 ?

Expense Report

Person LADA, DAQUILLA (EXPJ1400)

☐ Add to audit list

Reason

Report Submission Date 12/5/22

Expense Report Date 12/5/22

Report Total 20.00 USD

Purpose Accommodation Expense Report 12/5/22

Complete Audit Actions Save Cancel

Confirm Manager's Approval

Reject Expense Report

Request More Information

Waive Receipts and Complete Audit

Warn User and Complete Audit

Print Preview

Print Preview with Attachments

Original Receipt Package

Report

Status Pending expense auditor approval

Step 15. If all the expenses incurred are in compliance with NC Policies, click the **Complete Audit** button.

Image

Audit Expense Report: 1400ER000097434368 ?

Expense Report

Person LADA, DAQUILLA (EXPJ1400)

☐ Add to audit list

Reason

Report Submission Date 12/5/22

Expense Report Date 12/5/22

Report Total 20.00 USD

Purpose Accommodation Expense Report 12/5/22

Complete Audit Actions Save Cancel

Original Receipt Package Check in Date m/d/yy

Report Filing Number

Attachments None +

Status Pending expense auditor approval

Step 16. A *Confirmation* pop-up appears.

Image

The screenshot displays the NCFS (North Carolina Financial System) interface. At the top, a blue header bar contains the NCFS logo and navigation icons. A prominent green checkmark icon is followed by a message box stating: "The audit for this expense report was completed. The approved parts of this expense report are ready for invoicing and payment." Below this, the "Search" section is visible, featuring a "Basic" tab and a "Saved Search" dropdown menu set to "Expense Reports Pending Approval". The search criteria include: "Report Number" (Equals), "Report Status" (Equals, set to "Pending expense auditor approval"), "Business Unit" (Equals), "Person" (Equals), "Report Submission Date" (Equals, m/d/y), "Expense Auditor" (Equals), and "Assigned to Auditor" (Equals). At the bottom right, there are buttons for "Search", "Reset", "Save...", and "Add Fields".

Wrap-Up

Audit Expense Reports using the steps above, to view the Complete, Accept, or Reject an Audit.

Additional Resources

- Virtual Instructor-Led Training (vILT)
 - [EX101: Expense Auditor](#)

First Published

Fri, 07/21/2023

Last Updated

Tue, 12/16/2025

[View PDF](#)