



Oregon  
University  
System

**Office of the Chancellor  
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## Purchasing and Procurement Cards Potential Problems – Unauthorized, unsupported, or fraudulent transactions

1. Expenditures are not approved in advance as required by policy (ex: travel).
2. Receipt of goods and services is not documented.
3. Expenditures are not processed timely.
4. Expenditures are not within grant guidelines or are processed outside grant terms.
5. Blanket purchase order limits are exceeded.
6. Expenditures are excessive, unauthorized, or unallowable according to policy.
7. Support documentation for expenditures is not maintained.
8. Duties of authorization to purchase, process, and maintain expenditure records, receipt of goods and services, and reconciliation are not segregated.
9. Lack of justification for convention/conference or out-of-state travel.
10. Inadequate support for expenditures (airfare, hotel, etc.)
11. Duplicate reimbursement for meals that are provided by conference.
12. Inadequate justification for non-contract rental cars or airfare.



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13. Incorrectly computed per diem (especially related to meals included in seminar fees).
14. Inadequately documented trip purpose.
15. Management reports are too general or excessively detailed, making review difficult.  
Department may use a shadow system and reconciliation to Banner is not performed.
16. Reports are not prepared timely or do not contain outstanding revenue or expenditures yet to be processed.
17. Account reconciliation is not performed within 30-60 days of period end.
18. Account reconciliation does not include balances for both record sources and a list of outstanding items.
19. A supervisor does not review reconciliations of financial transactions or the review is not documented (initials and date).