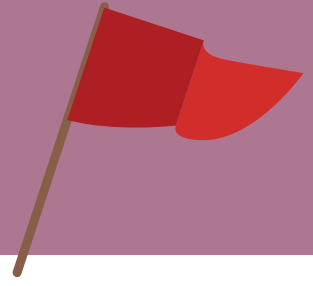


# MISCHARACTERIZED EXPENSES

What are the red flags?



Mischaracterized expense reimbursement schemes occur when an employee submits a false claim to the employer for a business expense reimbursement. The claim is false usually because the employee submits a personal expense as a business or work-related expense.



## INADEQUATE OR MISSING EXPENSE REPORT

Pay close attention to instances where an employee fails to submit detailed expense reports or any expense reports at all.

## FABRICATION

Don't ignore suspicious altered or fabricated supporting documents.



## CARELESS APPROVALS

Look out for an expense reimbursement approver providing "rubber stamp" approval.



## MISSING APPROVAL

Check up on any expense that was not pre-approved.



## TIPS FOR PREVENTING MISCHARACTERIZED EXPENSE SCHEMES

- Require supporting documentation to substantiate an expense report.
- Compare employees' expense reports to their work schedules.
- Ensure that employees do not approve their own expense reports.
- Randomly monitor employee expense reports.

Visit [www.sfgov.org/whistleblower](http://www.sfgov.org/whistleblower) to see how to file a report.

