

11. Unsupported Adjustments and Audit Risk

Description

Unsupported adjustments are one of the most common audit findings. Any mileage or fuel adjustment made to reporting data should be supported by documentation explaining why the adjustment was necessary and how the adjustment was calculated.

Why Adjustments Matter

Adjustments directly affect mileage totals, fuel totals, tax calculations, and IFTA filings. Auditors expect every adjustment to have supporting evidence.

Common Unsupported Adjustments

- Mileage corrections without route documentation
- Fuel corrections without receipts
- Manual entries without explanations
- Amended transactions lacking support

Required Documentation

- ✓ Explanation of adjustment
- ✓ Supporting receipts or records
- ✓ Route calculations
- ✓ Mileage Calculator reports
- ✓ Notes and audit comments

Best Practices

Document every adjustment immediately, attach supporting records, retain route calculations, and review adjustments before filing.

Warning Signs

Large manual corrections, repeated adjustments, missing notes, unexplained mileage changes, and unsupported fuel corrections.

How Advanced IFTA Helps

Adjustment Tracking, Mileage Calculator documentation, Exception Reporting, Audit Readiness Monitoring, Historical Reporting, and Filing Documentation Storage.

Recommended Actions

1. Document all adjustments.
2. Attach supporting records.
3. Review adjustments quarterly.
4. Investigate unusual corrections.
5. Retain records for at least four years.

Tags

Audit Readiness, Adjustments, IFTA Audit, Compliance, Mileage Corrections, Fuel Corrections, Documentation, Exception Reports, Fleet Compliance, Advanced IFTA