



Procurement Audit Course: Procure-to-Pay Controls, Bid-Rigging Red Flags and Data Tests



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Introduction:

Procurement audit of procure-to-pay controls, bid-rigging red flags and data tests is a five-day course for internal audit, procurement compliance, contract audit and fraud examination functions, who build a procurement audit programme and findings report for a case organisation. Purchasing spend often passes through tender waivers, split orders, unvetted suppliers and unmatched invoices that file reviews never test, so losses and collusion surface late. Nominees already review purchasing files or payment transactions, and teaching is by case study on tender records, vendor files and payment data. CoreConcept Training Center delivers this procurement audit course.

Course Objectives:

- Map procure-to-pay risks and controls into a risk and control matrix that sets the scope of a procurement audit engagement
- Plan a risk-based procurement audit and test needs definitions, specifications, tender evaluations and single source justifications
- Verify vendor master data, supplier due diligence, award approvals, three-way matching and payment controls through transaction sampling
- Recognise bid-rigging patterns, order splitting and undeclared conflicts of interest in tender and purchasing records
- Run spend analytics and continuous auditing data tests and assess procurement performance against value for money criteria
- Prepare a procurement audit programme and findings report that quantifies exceptions and proposes recoveries

Target Audience:

- Internal audit teams that review purchasing, tendering and accounts payable processes
 - Procurement compliance functions that monitor adherence to purchasing policy and delegated limits
 - Contract audit units that examine award files, supplier contracts and invoices
 - Fraud examination and integrity units that screen tenders and payments for misconduct
 - Finance control teams that reconcile supplier accounts and pursue overpayments
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Course Outline:

Day 1: Procure-to-Pay Audit Universe and Risk Landscape

- Procure-to-Pay Stage Map from Requisition to Payment Release
- COSO Internal Control Integrated Framework Mapped to Purchasing Risks
- Global Internal Audit Standards Applied to Procurement Engagements
- Procurement Risk and Control Matrix by Process Stage
- Current-State Walkthrough of an Existing Purchasing Function

Day 2: Risk-Based Procurement Audit Planning and Sourcing Reviews

- Procurement Audit Engagement Scoping and Risk Assessment Worksheet
- Needs Identification and Specification Audit for Restrictive Requirements
- Tender Evaluation File Review and Scoring Sheet Reperformance
- Single Source Justification Testing Against Approved Exception Criteria
- Order Splitting Detection Against Delegated Approval Limits

Day 3: Vendor Master, Contract Award and Transaction Control Testing

- Vendor Master File Audit for Duplicate and Dormant Suppliers
- Supplier Due Diligence Evidence Review Before Onboarding
- Contract Award Approval Trail and Delegation of Authority Testing
- Three-Way Match Testing of Orders, Receipts and Invoices
- Duplicate Payment and Overpayment Testing in Accounts Payable

Day 4: Procurement Fraud Red Flags, Spend Analytics and Value for Money

- OECD Guidelines for Fighting Bid Rigging Red Flag Review
- Cover Bidding, Bid Rotation and Bid Suppression Pattern Analysis
- Conflict of Interest Matching Between Employee and Supplier Records
- Benford's Law and Continuous Controls Monitoring Data Tests
- Value for Money Audit of Procurement Performance Indicators

Day 5: Case Study Procurement Audit Programme and Findings Report

- Case Organisation Purchasing Data Pack and Audit Scoping
 - Audit Sampling Plan and Evidence Standards for Procurement Files
 - Data Test Execution on Case Vendor and Payment Files
 - Root Cause Rating and Recovery Quantification for Case Exceptions
 - Procurement Audit Programme and Findings Report Completion
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Skills You Will Gain:

- Procurement Risk Mapping
- Tender File Reperformance
- Vendor Master Data Review
- Three-Way Match Testing
- Bid-Rigging Pattern Recognition
- Audit Data Analytics
- Audit Sampling Design
- Recovery Quantification

Why Attend This Course:

- Deliver a procurement audit programme with data tests and a findings report to the chief audit executive and the audit committee
- Decide which tenders, suppliers and payment streams to test first and which exceptions to escalate as suspected collusion
- Avoid duplicate payments, unjustified single source awards and split orders passing unchallenged through approval routes
- Share reusable data test scripts and tender review checklists with audit and procurement compliance colleagues

Conclusion:

Back at work, the participant gives the procurement audit programme and findings report to the chief audit executive, who uses it to schedule the next purchasing audits, agree recoveries with finance and ask procurement management for control fixes. Procurement compliance teams adopt the data tests as recurring checks on vendor, order and payment files. After the first engagement run with the programme, the audit function should review which data tests produced valid exceptions, how much of the quantified recovery was collected and where the risk and control matrix needs updating.

Frequently Asked Questions FAQ:

What should participants know before a procurement audit course on procure-to-pay controls?

Participants should already review purchasing files, tender records or supplier payments in audit, compliance or finance control work. Basic spreadsheet skills support the data tests, and anonymised extracts of vendor or payment data help apply the exercises to familiar material.

How does a procurement audit course differ from a procurement best practices or fraud investigation course?

This course tests whether purchasing controls work and quantifies exceptions from the auditor's side. Procurement practice courses teach buyers to run purchasing, and fraud investigation courses cover interviews and evidence handling after an allegation, which appear here only briefly.

Which data tests find the most exceptions in a procurement audit?

Productive tests match duplicate invoices and payments, compare vendor master records with employee data, flag orders just below approval limits, identify single-bid tenders and consistent bid pricing, and screen amounts with Benford's law where data spans several orders of magnitude.

What do participants take back from the procurement audit course on bid-rigging red flags and data tests?

Participants take back a procurement audit programme with data tests and a findings report built on a case organisation, plus a risk and control matrix, sampling plan and recovery schedule format ready to adapt to their own audit plan.
