PROCUREMENT AUDIT, COMPLIANCE, FRAUD RISK & INTERNAL CONTROLS COURSE

Introduction

This Course is designed to strengthen organizational capability to prevent, identify and respond to procurement irregularities, control failures, non-compliance and fraud. Procurement is often exposed to significant financial, operational, legal and reputational risks because it involves expenditure decisions, supplier relationships, tender processes, contracts and substantial discretionary authority. The programme provides participants with a structured approach to evaluating procurement governance, identifying control weaknesses, assessing procurement fraud risks and conducting risk-based procurement audits. Participants examine the complete procurement cycle to identify potential vulnerabilities from procurement planning and specification development through tendering, evaluation, contract award, contract management, payment and disposal. Particular attention is given to common procurement fraud schemes and red flags, including bid manipulation, collusion, conflicts of interest, specification manipulation, fictitious suppliers, inflated pricing, split purchases, duplicate payments and contract-management irregularities. Participants also learn how to design preventive, detective and corrective procurement controls, develop effective audit trails, conduct compliance testing and communicate procurement audit findings to management.

Course Objectives

- Understand procurement governance and internal control principles.
- Identify procurement compliance risks.
- Conduct procurement risk assessments.
- Evaluate the effectiveness of procurement internal controls.
- Identify common procurement fraud schemes.
- Recognize procurement fraud red flags.

P.O Box 7254- 01000
www.trustgatecorporateskills.co.ke
Location Thika & Nairobi

- Assess tendering and bid-evaluation vulnerabilities.
- Conduct risk-based procurement audits.
- Evaluate supplier and payment-related controls.
- Develop effective procurement audit findings and corrective action plans.

Course Modules

> Module 1: Procurement Governance and Control Environment
- Procurement governance principles
- Roles and accountability
- Segregation of duties
- Procurement control environment

> Module 2: Procurement Compliance Management
- Procurement policies and procedures
- Compliance obligations
- Procurement compliance testing
- Managing procurement exceptions

> Module 3: Procurement Risk Assessment
- Identifying procurement risks
- Risk assessment methodologies
- Procurement risk registers
- Risk-based control prioritization

> Module 4: Procurement Internal Controls
- Preventive controls
- Detective controls
- Corrective controls
- Control design and effectiveness testing

> Module 5: Procurement Fraud Schemes and Red Flags
- Procurement fraud typologies
- Conflict-of-interest schemes
- Fictitious and related suppliers
- Pricing and invoicing irregularities

> Module 6: Tender and Bid Manipulation Risks
- Specification manipulation
- Bid rigging and collusion
- Evaluation manipulation
- Contract award irregularities

> Module 7: Supplier, Contract and Payment Fraud
- Supplier due diligence failures
- Contract variation abuse
- False delivery and invoicing
- Duplicate and irregular payments

> Module 8: Risk-Based Procurement Auditing
- Procurement audit planning
- Risk-based audit programmes
- Sampling and evidence gathering
- Procurement process testing

> Module 9: Procurement Fraud Detection and Investigation
- Fraud indicators and exception analysis
- Document and transaction review
- Evidence preservation
- Investigation and escalation procedures

> Module 10: Audit Reporting and Procurement Improvement
- Developing audit findings
- Root-cause analysis
- Corrective action plans
- Monitoring implementation and continuous improvement