informatech



PROCUREMENT AND SUPPLY CHAIN MANAGEMENT | PSCM-025

Procurement Audit

UK
+44 33 000 111 90
info@informatech.co.uk
https://informatech.co.uk
63-66 Hatton Garden Hatton Garden
EC1N 8LE , London

NL
+31 85 74 444 46
info@infomatech.nl
https://infomatech.nl
Waarderweg 50 - 2031PB
Haarlem - Netherlands



Course content

Why Attend

Procurement activities represent a significant area of financial expenditure, operational dependency, and compliance exposure for many organisations. Ineffective procurement controls can result in excessive costs, inappropriate supplier selection, contract non-compliance, delivery failures, conflicts of interest, and increased exposure to fraud and corruption. A systematic procurement audit helps organisations evaluate whether purchasing activities are transparent, properly controlled, commercially effective, and aligned with business requirements.

The Procurement Audit course provides internal auditors, procurement professionals, compliance specialists, and risk managers with a structured approach to auditing the complete procurement lifecycle. Participants learn how to assess procurement governance, evaluate sourcing and tendering procedures, examine supplier qualification processes, review purchasing transactions, and test controls over contracts, goods receipt, invoicing, and payments.

The programme also addresses procurement performance auditing, supplier risk assessment, fraud indicators, procurement data analytics, and audit reporting. Through practical case studies and audit simulations, participants develop the skills needed to identify procurement weaknesses, gather reliable evidence, assess financial and operational consequences, and recommend improvements that strengthen purchasing accountability and value for money.

Professional Problems This Course Is Designed to Solve

• Weak procurement governance and compliance: Evaluating purchasing policies, delegated authorities, approval procedures, and adherence to applicable organisational and regulatory requirements.

• Inadequate supplier selection and tendering controls: Identifying weaknesses in supplier qualification, competitive bidding, technical evaluation, and contract award decisions.

• Uncontrolled purchasing expenditure: Reviewing purchase requisitions, purchase orders, pricing, budget compliance, and purchasing commitments to identify unnecessary or unauthorised expenditure.

• Procurement fraud and conflicts of interest: Detecting indicators of supplier collusion, bid manipulation, fictitious vendors, duplicate payments, and inappropriate relationships.

• Poor contract and supplier performance: Assessing contractual compliance, delivery performance, service quality, pricing arrangements, and supplier management controls.



Course content

Why Attend

• Ineffective purchase-to-pay controls: Testing the completeness, accuracy, authorisation, and validity of procurement transactions, goods receipts, invoices, and payments.

• Limited procurement audit coverage: Applying risk-based planning, transaction analytics, and structured audit testing to improve assurance over complex purchasing activities.

Course Methodology

The programme combines instructor-led discussions, procurement audit case studies, risk-control mapping exercises, audit planning workshops, transaction testing simulations, supplier evaluation reviews, and procurement data analysis.

Participants examine realistic procurement documentation, including purchasing policies, tender records, supplier files, purchase orders, contracts, receiving reports, invoices, and payment records. Practical exercises focus on developing audit programmes, identifying control weaknesses, evaluating evidence, documenting findings, and preparing recommendations for procurement improvement.

Course Objectives

By the end of this course, participants will be able to:

• Understand the objectives, scope, and responsibilities of procurement auditing

• Identify procurement risks across sourcing, purchasing, contracting, and supplier management

• Evaluate procurement governance, policies, and internal control arrangements

• Develop risk-based procurement audit plans and audit programmes

• Assess supplier qualification, tendering, and contract award procedures

• Test purchasing transactions, approval controls, and purchase-to-pay processes

• Evaluate procurement contracts, supplier performance, and value for money

• Identify procurement fraud indicators and potential conflicts of interest

• Apply procurement data analytics and transaction testing techniques



Course content

Course Objectives

- Assess audit evidence and determine the significance of control deficiencies
- Prepare clear procurement audit findings and practical recommendations
- Develop procurement audit follow-up and continuous monitoring procedures

Target Audience

This course is suitable for:

- Internal auditors and senior internal auditors
- Procurement auditors and audit managers
- Procurement and purchasing managers
- Governance, risk, and compliance professionals
- Internal control and assurance specialists
- Contract management and supplier performance professionals
- Financial controllers and accounts payable managers
- Public procurement and tender oversight professionals
- Fraud risk management and investigation specialists
- Professionals responsible for procurement compliance and operational assurance

Target Competencies

Participants will develop competencies in:

- Procurement risk assessment
- Risk-based procurement audit planning
- Procurement governance evaluation
- Supplier sourcing and tender audit



Course content

Target Competencies

• Purchase-to-pay control testing

• Contract compliance auditing

• Procurement fraud risk identification

• Procurement data analytics

• Audit evidence evaluation

• Procurement audit reporting and follow-up

Course outline

Day 1: Procurement Audit Fundamentals, Governance and Risk Assessment

• Understanding the purpose and scope of procurement auditing and its contribution to governance, financial control, operational efficiency, and value for money

• Mapping the procurement lifecycle from requirements identification and sourcing through contract award, purchasing, delivery, invoicing, and payment

• Evaluating procurement governance structures, purchasing policies, delegated authorities, ethical standards, and compliance requirements

• Identifying inherent and residual procurement risks associated with expenditure, supplier dependency, operational continuity, fraud, and contractual obligations

• Developing risk-based procurement audit objectives, scope, criteria, and testing priorities using procurement expenditure and control information

• Practical workshop: Preparing a procurement risk assessment and risk-based audit plan for a selected organisational purchasing process

Day 2: Auditing Supplier Sourcing, Tendering and Contract Award

• Reviewing procurement planning, sourcing strategies, market research, and the justification of competitive or non-competitive purchasing methods



Course content

Course outline

• Evaluating supplier registration, qualification, due diligence, financial assessment, and conflict-of-interest controls

• Auditing requests for quotation, tender documentation, technical specifications, bid submission procedures, and evaluation criteria

• Testing supplier selection and contract award decisions for transparency, consistency, authorisation, and compliance with approved procedures

• Identifying red flags involving restrictive specifications, bid manipulation, supplier collusion, unjustified sole-source awards, and evaluation irregularities

• Practical exercise: Reviewing a procurement tender file to identify control weaknesses, compliance exceptions, and potential supplier selection risks

Day 3: Auditing Purchase-to-Pay Processes and Financial Controls

• Evaluating controls over purchase requisitions, purchase orders, approval limits, purchasing budgets, and expenditure commitments

• Testing segregation of duties across purchasing, supplier master data maintenance, goods receipt, invoice processing, and payment authorisation

• Reviewing receiving documentation, quantity verification, quality acceptance, and discrepancies between orders and delivered goods or services

• Auditing invoice validation, three-way matching, payment approvals, supplier bank detail changes, and accounts payable controls

• Applying procurement transaction analytics to identify duplicate payments, split purchases, unusual prices, unsupported transactions, and purchasing policy violations

• Practical workshop: Performing purchase-to-pay audit tests using illustrative procurement transactions, supplier records, invoices, and payment data

Day 4: Contract Compliance, Supplier Performance and Procurement Value

• Auditing procurement contracts for approved terms, pricing conditions, delivery obligations, performance requirements, warranties, and change control provisions



Course content

Course outline

• Evaluating supplier performance management through delivery reliability, quality results, service levels, corrective actions, and contract compliance

• Reviewing contract variations, extensions, price adjustments, claims, and additional expenditure for appropriate justification and approval

• Assessing procurement efficiency through purchasing cycle times, sourcing effectiveness, expenditure analysis, and supplier concentration

• Applying value-for-money auditing principles to evaluate economy, efficiency, and effectiveness in procurement decisions

• Case study: Conducting a contract and supplier performance audit to identify commercial risks, operational weaknesses, and opportunities for procurement improvement

Day 5: Procurement Audit Reporting, Fraud Indicators and Continuous Monitoring

• Evaluating procurement audit evidence and distinguishing isolated transaction errors, systemic control weaknesses, compliance failures, and potential fraud indicators

• Developing audit findings with clear criteria, conditions, causes, consequences, supporting evidence, and practical recommendations

• Communicating procurement audit results to management, procurement leadership, audit committees, and relevant governance stakeholders

• Establishing corrective action plans, management responsibilities, implementation deadlines, and audit follow-up procedures

• Designing continuous procurement monitoring indicators and dashboards covering purchasing compliance, supplier performance, transaction exceptions, and procurement risks

• Capstone exercise: Developing and presenting a Procurement Audit Report and Improvement Plan covering audit scope, risk assessment, testing results, control deficiencies, fraud indicators, recommendations, and follow-up priorities



Seminar dates

Available seminar dates

Live dates and pricing for Procurement Audit generated from the course details page.

Date	Location	Format	Fee
Dates on request	Venue on request	Classroom	**Contact us**

Live online option	Online delivery is available at €1,850.-.