

Managing Fraud Risks In Procurement and Contracting

Summary

All business entities have fraud risks. But exposures in procurement and contracting often top the list of what can go wrong. Among the many fraud risks that must be proactively managed is the possibility that third party suppliers and contractors will take unfair advantage of the relationship, entice employees into questionable practices, and commit wrongful acts or outright fraud.

This program addresses the fraud risks inherent in procurement and contracting, and will present solutions for managers and auditors interested in guarding their organizations against the costs and other negative consequences of misconduct and fraud. Short on theory and long on practical ideas, the program will give participants the tools and techniques they need “on the job”. Case examples will highlight not only what can go wrong, but what participants can do about it in their own organizations.

Learning Objectives

In this “how-to” course for management and audit professionals, you will learn:

- ✓ Real world examples of fraud in procurement and contracting
- ✓ How to create and maintain an anti-fraud procurement environment
- ✓ Advantages and disadvantages of lump sum, cost-plus, T&M, and unit pricing deals
- ✓ How to screen potential suppliers and contractors
- ✓ Why and how to audit suppliers and contractors
- ✓ How to implement a Vendor Assurance Program
- ✓ Examples of fraud in bidding and awarding contracts, subcontracts and supply orders
- ✓ Fraud risks in construction contracting and billing
- ✓ Exposures in change orders and pricing
- ✓ Steps for dealing with possible collusion, bid rigging and price fixing
- ✓ Steps for dealing with management resistance to an active procurement audit plan
- ✓ Effective audit steps for procurement and contracting
- ✓ How to Make your Code of Conduct part of the deal
- ✓ Monitoring suggestions

Instructional Method, Program Length and Continuing Education Credits

This seminar utilizes a combination of lecture, discussion and short exercises, and is offered in either a one day or tailored two-day format. Shorter sessions targeting specific client risks are available on request. In accordance with the standards of the National Association of CPE Sponsors, Continuing Professional Education credits have been granted based on a 50-minute hour. National Registry of CPE Sponsors ID Number: 108226

Program Level:	Intermediate
Prerequisites:	Work or audit experience in procurement and/or contracting
Advance Preparation:	None. A working knowledge of procurement and contracting management or audit practices is helpful but not required.
Delivery Method:	Group-Live
Field of Study:	Accounting or Auditing, depending on tailored program focus
Recommended CPE Credits:	8 credits (16 credits in two-day tailored version)