



PROCUREMENT AND SUPPLY CHAIN MANAGEMENT | PSCM-024

Procurement Fraud: Prevention, Detection and Investigation

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Course content

Why Attend

Procurement fraud can cause substantial financial losses, disrupt operations, undermine supplier competition, and damage organisational reputation. Fraud risks may arise at any stage of the procurement lifecycle, from supplier registration and tender evaluation to contract award, purchase order processing, goods receipt, invoicing, and payment. Common schemes include bid rigging, conflicts of interest, kickbacks, fictitious suppliers, duplicate invoicing, inflated pricing, and collusion between employees and external parties.

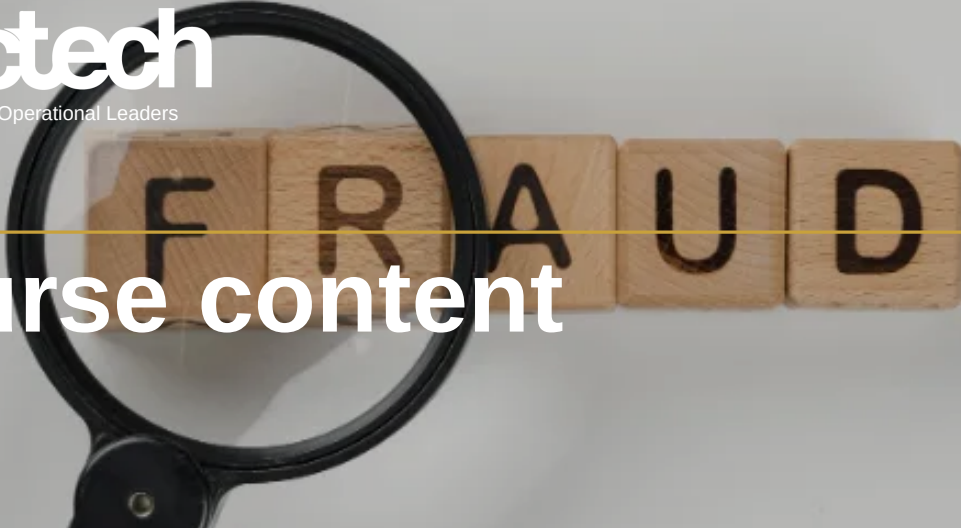
Preventing and detecting procurement fraud requires more than traditional purchasing controls. Organisations need an integrated approach combining fraud risk assessment, effective procurement governance, supplier due diligence, transaction analytics, internal controls, whistleblowing arrangements, and structured investigation procedures.

Course Methodology

- The programme combines instructor-led discussions, procurement fraud case studies, fraud risk assessment exercises, internal control evaluations, transaction analytics workshops, and simulated investigation activities.
- Participants examine realistic procurement records, supplier profiles, tender documentation, purchase orders, invoices, payment information, and control exceptions. Practical exercises focus on identifying fraud indicators, evaluating evidence, documenting findings, and recommending preventive and corrective actions.
- Investigation activities are presented within appropriate legal, organisational, and professional boundaries, with emphasis on confidentiality, evidence integrity, and fair treatment of individuals involved.

Course Objectives

- Identify common procurement fraud schemes and their underlying risk factors
- Assess fraud exposure across the procurement and purchase-to-pay lifecycle
- Recognise warning signs of supplier collusion, conflicts of interest, and bid manipulation
- Evaluate supplier due diligence and vendor master data controls
- Design preventive and detective controls for high-risk procurement activities
- Apply transaction analytics to identify suspicious purchasing and payment patterns



Course content

Target Audience

- This course is suitable for:
- Procurement and purchasing managers
- Internal auditors and audit managers
- Fraud risk management and investigation professionals

Course outline

Detailed course outline

Day-by-day outline for Procurement Fraud: Prevention, Detection and Investigation.

Day 1 - Procurement Fraud Risks, Schemes and Vulnerabilities

- 09:00-09:39 | Understanding procurement fraud, occupational fraud, corruption, and misconduct within public and private sector purchasing environments
- 09:39-10:18 | Mapping fraud exposure across procurement planning, supplier registration, sourcing, tender evaluation, contract award, receiving, invoicing, and payment
- 10:18-10:57 | Examining common schemes including bid rigging, bid rotation, kickbacks, bribery, undisclosed conflicts of interest, and procurement collusion
- 10:57-11:00 | Identifying fraudulent supplier arrangements, fictitious vendors, inflated pricing, false invoicing, and unauthorised purchasing transactions
- 11:00-11:30 | Coffee break
- 11:30-12:05 | Identifying fraudulent supplier arrangements, fictitious vendors, inflated pricing, false invoicing, and unauthorised purchasing transactions (continued)
- 12:05-12:43 | Applying fraud risk assessment methods to evaluate incentives, opportunities, control weaknesses, and potential financial or operational consequences
- 12:43-14:00 | Practical workshop: Developing a procurement fraud risk register identifying high-risk activities, fraud scenarios, existing controls, and required mitigation measures

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Day 2 - Procurement Fraud Prevention and Internal Control Design

- 09:00-09:34 | Establishing procurement governance arrangements covering purchasing policies, delegated authority, ethical conduct, transparency, and management accountability
- 09:34-10:08 | Strengthening supplier onboarding through identity verification, ownership checks, conflict-of-interest screening, and vendor master data controls
- 10:08-11:00 | Designing preventive controls for tender specifications, competitive bidding, supplier evaluation, contract approval, and sole-source procurement
- 11:00-11:30 | Coffee break
- 11:30-11:45 | Designing preventive controls for tender specifications, competitive bidding, supplier evaluation, contract approval, and sole-source procurement (continued)
- 11:45-12:19 | Evaluating segregation of duties across requisitioning, purchasing, supplier maintenance, goods receipt, invoice processing, and payment authorisation
- 12:19-12:53 | Applying purchase order controls, three-way matching, approval workflows, supplier bank detail verification, and exception management
- 12:53-14:00 | Practical exercise: Evaluating a procurement control framework and redesigning weak controls to reduce fraud opportunities

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Day 3 - Procurement Fraud Detection and Data Analytics

- 09:00-09:34 | Identifying procurement fraud red flags through unusual pricing, repeated contract awards, split purchases, abnormal bidding behaviour, and supplier concentration
- 09:34-10:08 | Analysing vendor master data for duplicate suppliers, shared addresses, inconsistent bank details, and unusual supplier changes
- 10:08-10:42 | Applying transaction testing to detect duplicate invoices, repeated payment amounts, purchase order splitting, and payments outside approved purchasing procedures
- 10:42-11:00 | Examining tender and contract award data for suspicious patterns, irregular bid evaluations, and potential supplier collusion indicators
- 11:00-11:30 | Coffee break
- 11:30-11:46 | Examining tender and contract award data for suspicious patterns, irregular bid evaluations, and potential supplier collusion indicators (continued)
- 11:46-12:53 | Using Excel, Power Query, and data analytics techniques to develop exception reports and fraud risk monitoring indicators
- 12:53-14:00 | Practical workshop: Analysing procurement and accounts payable datasets to identify suspicious transactions, prioritise exceptions, and determine further verification requirements

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Day 4 - Procurement Fraud Investigation and Evidence Management

- 09:00-09:34 | Establishing investigation intake and preliminary assessment procedures for allegations, whistleblower reports, audit findings, and transaction anomalies
- 09:34-10:41 | Developing an investigation plan covering allegations, objectives, scope, relevant records, potential witnesses, responsibilities, and escalation requirements
- 10:41-11:00 | Collecting and preserving procurement documentation, tender records, contracts, invoices, communications, system logs, and electronic evidence
- 11:00-11:30 | Coffee break
- 11:30-11:45 | Collecting and preserving procurement documentation, tender records, contracts, invoices, communications, system logs, and electronic evidence (continued)
- 11:45-12:19 | Conducting document reviews, transaction tracing, supplier relationship analysis, and financial reconciliation procedures
- 12:19-12:53 | Applying appropriate interview planning, confidentiality safeguards, evidence evaluation, and procedural fairness throughout investigations
- 12:53-14:00 | Investigation simulation: Examining a suspected procurement fraud case, evaluating available evidence, identifying unresolved questions, and preparing preliminary findings

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Detailed course outline

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Day 5 - Fraud Response, Reporting and Continuous Procurement Fraud Risk Management

- 09:00-09:34 | Preparing objective fraud investigation reports that distinguish established facts, supporting evidence, unresolved matters, and professional conclusions
- 09:34-10:08 | Understanding internal escalation procedures, legal consultation, disciplinary considerations, regulatory reporting obligations, and recovery options where applicable
- 10:08-10:42 | Conducting root-cause analysis to identify governance failures, control deficiencies, management oversight weaknesses, and process vulnerabilities
- 10:42-11:00 | Establishing continuous procurement fraud monitoring through exception reporting, risk indicators, supplier reviews, and targeted internal audit procedures
- 11:00-11:30 | Coffee break
- 11:30-11:46 | Establishing continuous procurement fraud monitoring through exception reporting, risk indicators, supplier reviews, and targeted internal audit procedures (continued)
- 11:46-12:53 | Developing fraud awareness initiatives, reporting channels, management responsibilities, and periodic fraud risk assessment programmes
- 12:53-14:00 | Capstone exercise: Developing a Procurement Fraud Prevention, Detection and Investigation Framework covering fraud risk assessment, preventive controls, analytical monitoring, investigation protocols, reporting arrangements, and corrective action priorities

Seminar dates

Available seminar dates

Live dates and pricing for Procurement Fraud: Prevention, Detection and Investigation generated from the course details page.

Date	Location	Format	Fee
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No seminar dates are currently available.