

Procurement Card Program Checklist



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Data Mining: Automated technique utilizing data analysis tools to evaluate voluminous data for matches, trends and patterns.

- Does your audit process include matching vendor and employee addresses?
- Do you audit spending patterns for spikes and fluctuations?
- Can you quickly review voluminous data to detect fraudulent transactions in a timely manner?

Monitoring and Reviewing: This process assists with monitoring and reviewing compliance to established policies and procedures.

- Does your monitoring and review process detect staff trying to bypass the required approval channels for potential non business-related transactions?
- Do you escalate transactions beyond immediate supervisors?
- Do you review past suspended accounts and corrective actions taken?
- Do you ensure that the procurement card approvers are not the cardholder's subordinate?
- Do you periodically analyze spending limits of cardholders as to whether spending thresholds and limits are appropriate?

System Controls/Reporting: Detective and preventive reporting for inconsistency and abnormal activity.

- Does your reporting include purchasing transgressions for individuals throughout your various procurement mechanisms (e.g., vendor direct payment, employee reimbursement, and procurement card) to review for patterns of abuse?
- Does your reporting highlight cardholders with past violations?
- Does your reporting include a list of red flag transactions?

Training: Ensuring roles, responsibilities, and accountability are properly defined and communicated to staff.

- Do you provide periodic training to all procurement cardholders and approvers?
- Are reviewers and approvers given refresher training to highlight issues at your institution or other institutions?
- Are employees consistently trained about their accountability and the penalties associated with fraud, misuse, and abuse of procurement cards?

Policies and Procedures: Assists with governing processes and objectives.

- Do you frequently update your policies and procedures and communicate them to all procurement cardholders and approvers?
- Do your procedures include a notification or pre-exit clearance process for terminated cardholders and approvers to cancel cards in a timely manner?
- Do you have a pre-approval process for out-of-the-ordinary purchases?

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