

Managing Procurement Fraud Risk

By Sylvia Lim



INTRODUCTION

Procurement fraud can occur through departmental purchasing of goods and services, as well as through contractual arrangements with external service providers. It can come in many different ways.

Fraud within the procurement life cycle is high risk and can result in recurring losses. You may be at risk due to fraudulent activities conducted by internal staff, collusion between internal staff and external service providers or external service provider and/or industry collusion.

Join us for this Lunch & Learn session to acquire the knowledge, skills and techniques you need to deter, prevent and detect this devastating type of fraud.

LEARNING OBJECTIVES

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

- ❖ Gain a thorough understanding of the vulnerability of the procurement function to fraudulent activities
- ❖ Explore different kinds of procurement fraud that can occur in a typical organization
- ❖ Identify the various root causes of different procurement fraud schemes
- ❖ Recognise the red flags of procurement fraud
- ❖ Design different effective deterrent, preventive and detective measures to help reduce the occurrence of procurement fraud

COURSE OUTLINE

- ❖ **Introduction to different types of fraud and procurement fraud**
 - Different types of fraud that can occur in your organisation
 - What is procurement fraud?
 - Why is the procurement function vulnerable to fraud?
 - Where and when can procurement fraud happen?
 - Consequences of procurement fraud
- ❖ **Different types of procurement fraud schemes**
 - Bribery and corruption
 - Fraud in bidding process
 - Unjustified sole source
 - Split purchase
 - Change order abuse
 - Cost mischarging and defective pricing
 - False invoices and phantom vendors
- ❖ **Root causes and red flags of procurement fraud**
 - Root causes of procurement fraud
 - General procurement fraud red flags
 - Red flags unique to specific procurement fraud schemes

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❖ Preventing and detecting procurement fraud

- Assessing the risk of procurement fraud
- Creating an anti-fraud culture
- Procurement fraud deterrents
- Reducing procurement fraud risk - preventive controls and assessing their effectiveness
- Measures to detect different types of procurement fraud

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This course is ideal for procurement directors, managers and executives, internal controls, compliance and operations professionals seeking to understand about the risks associated with procurement as well as learn about different procurement fraud schemes and the measures to deter, prevent or detect them.

ABOUT THE TRAINER

Sylvia Lim

Ms Sylvia Lim is Corporate Risk professional specialising in coaching, consulting and training on risk management, internal controls, as well as fraud prevention and detection. Sylvia has worked with the Big Four accounting firms, multinational corporations and local companies in Hong Kong and Singapore for over 15 years.

Sylvia has been extensively involved in risk management, internal control, internal audit and Sarbanes-Oxley compliance projects in Asia Pacific. Additionally, Sylvia has over 5 years of professional training experience. She has provided various training programs on corporate governance, enterprise risk management, internal controls, anti-fraud and anti-corruption to diverse clients and directors from companies listed in Singapore, Malaysia and Hong Kong.

Graduated with an Accountancy degree (Honours) from Nanyang Technological University, Sylvia is also a Certified Internal Auditor of the Institute of Internal Auditors and Certified Fraud Examiner of the Association of Certified Fraud Examiners.