

PROCUREMENT RISK QUESTIONNAIRE



Original Date:

Dates Revised:

PROCUREMENT RISK QUESTIONNAIRE

ORGANISATION PROCUREMENT FRAUD RISK MITIGATION

IDENTIFICATION OF NEED

Was the work, invented or needed and who specified the requirement?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
Is the requirement falsified or is the work already covered within an existing contract?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
Has work been raised outside of the procurement process?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
Does your organisation have a counter procurement fraud response and control measures?	<input type="checkbox"/> Yes	<input type="checkbox"/> No

JUSTIFICATION & BUSINESS CASE

Has End user created a business case or requisition that is authorised?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
Are there instances where the person who creates the business case, raises the requisition, and sources the suppliers?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
Can procurement staff be engaged without submission of requisition?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
Is the person who identified the business requirement clearly identified?	<input type="checkbox"/> Yes	<input type="checkbox"/> No

DESIGN & SPECIFICATION

Is the scope of work or design biased towards a specific company's capability?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
Is specification reviewed and authorised by someone other than author?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
Is the specification/scope of work vague?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
Are specifications independently checked?	<input type="checkbox"/> Yes	<input type="checkbox"/> No

BUDGET & COST ESTIMATION

Has a market price check been conducted and retained?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
Is total cost ownership missed within cost estimation?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
Is there a lack of budgetary or cost control and management throughout the life of the contract?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
Has project funding been split between budgets to hide the true cost of completion?	<input type="checkbox"/> Yes	<input type="checkbox"/> No

PROCUREMENT ROUTE

Is there a documented single source justification and authorisation process and is it followed?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
Are procurement decisions documented and open to review?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
Can orders be split to avoid the tender threshold?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
Have the goods, works or service been single sourced before?	<input type="checkbox"/> Yes	<input type="checkbox"/> No

VENDOR IDENTIFICATION

Does the end user identify who the bidding companies should be?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
Does the organisation have sufficient vendors within the supplier database?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
Is the vendor identification process dealt with by the procurement department?	<input type="checkbox"/> Yes	<input type="checkbox"/> No

Can vendor identification and procurement route be influenced by senior executive?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
PRE-QUALIFICATION		
Is suitable financial evidence provided to confirm supplier ability to complete contract?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
Are checks conducted to confirm vendor's ability to perform contract to specification?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
Is there evidence of supplier controls systems to manage procurement and PF&C risk?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
Does the supplier have a system in place to identify and rectify quality and counterfeit risk within their supply chain?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
BID RESPONSE		
Is all communication within bidding process transparent and shared with all bidding companies?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
Are there enough qualified vendors identified to bid for requirement?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
Are response deadlines long enough to prevent manipulation of bidding process?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
Is the bidding process secure and auditable?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
TENDER MATRIX		
Is there scoring matrix relevant, objective, measurable and impartial to the requirement?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
Can additional criteria be added during the selection process?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
Is the scoring mechanism standardized or has it been devised for the works?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
Does the organisation have auditable records that accurately document quality assurance?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
TENDER SELECTION		
Are there dual controls for opening bids and recording individual's details?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
Is the disqualification of a bidding company justified and documented?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
Are persons involved in the selection process required to record conflicts of interest?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
Is security within the bidding and selection process tested?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
CONTRACT AWARD		
Did the work start before the contract was awarded or order was raised?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
Is work sub-contracted to companies that do not have the required qualifications?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
Is work sub-contracted to company that was involved in the initial bid?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
Is the award process transparent and documented?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
ADHOC & EMERGENCY WORKS		
Is there an excessive number of adhoc or emergency works?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
Is there a documented process for adhoc or emergency works?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
Is there root cause analysis conducted to establish reasons for emergency works?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
Is there a procedure to confirm that works are required and completed	<input type="checkbox"/> Yes	<input type="checkbox"/> No
CONTRACT VARIATIONS		
How soon after mobilisation is the first variation requested?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
Is there a process of identifying and monitoring high percentage of variations compared to original costs?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
Are variations caused by inadequate design and specification during the planning stage?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
Is fraud risk assessment considered as part of the variations process including root cause analysis?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
SIGN OFF		
Can one person identify need and sign off work as complete?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
Are there documented procedures to verify work as complete?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
Are contractor hours checked against, timesheets and onsite verification of attendance?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
Are scarce resources such as civil engineers and project managers monitored for Procurement Fraud risk?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
ASSET MANAGEMENT		

Are there security procedures and risk assessment in place for warehouse and assets in transit?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
Are assets procured have a goods receipt and documented on the asset register?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
Are losses of high value, attractive, high volume items monitored?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
Are variance reports monitored and no automatic adjustments before fraud risk is mitigated?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
PROJECT MANAGEMENT		
Are fraud risk assessed for each stage of the project?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
Is data held and monitored for actual costs against budget or forecast costs?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
Do contractors have adequate anti-fraud procedures in place?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
Is there adequate site management for delivery and project sign off?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
SUB-CONTRACTING		
Are sub-contractors authorised before use?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
Are conflicts of interest checks carried out on sub-contractor companies?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
Can it be confirmed that sub-contractors weren't part of the tender process?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
Has normal vetting procedures been conducted to ensure sub-contractor isn't a ghost company?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
FALSE CLAIMS		
Is process of comparing requisition, purchase order and invoice before payment is made?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
Is goods receipt note received and goods placed on asset register before payment?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
Is there a process in place to check for inflated invoices and double billing?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
Is there evidence of non-delivery of goods?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
CONTRACT MANAGEMENT		
Is there evidence of regular equipment failures?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
Is work carried out after hours or at weekends where there is no supervision?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
Is there a field compliance team to verify completion of works to correct specification?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
Is there evidence of deliberate delays in project to incur additional cost including for rental of equipment?	<input type="checkbox"/> Yes	<input type="checkbox"/> No