

Procurement Audit Program Format for Purchases Verification

Audit Objective

To verify that all purchases are properly authorized, accurately recorded, and conform to the organization's procurement policies and procedures.

Scope

Purchases made during the audit period, including review of supporting documents, authorizations, supplier selection processes, and recording in financial statements.

Procedures

Procedure	Audit Steps	Reference/Working Paper	Remarks
Document Review	<ul style="list-style-type: none">Obtain purchase orders, invoices, goods received notes, and payment vouchers.Check for required approvals and signatures.		
Authorization Verification	<ul style="list-style-type: none">Verify that purchases were approved by authorized personnel as per policies.Ensure compliance with procurement thresholds.		
Supplier Selection	<ul style="list-style-type: none">Review supplier selection criteria and documentation for competitive bids, if applicable.Check evidence of adherence to supplier selection policy.		
Accuracy of Recording	<ul style="list-style-type: none">Reconcile purchases recorded in accounting system with supporting documents.Ensure correct classification and timely recording.		
Physical Verification	<ul style="list-style-type: none">Where possible, verify existence of purchased goods/services.Match with delivery records and inventory, if applicable.		
Compliance Check	<ul style="list-style-type: none">Confirm adherence to company procurement policies and regulatory requirements.Identify and report deviations or exceptions.		

Audit Findings & Recommendations

Observation	Implication	Recommendation

Reviewed by

Name	Signature	Date

Important Notes:

- This document serves as a structured guide for verifying purchases in procurement audits.
- Procedures should be adapted as necessary based on organizational policies and risk assessment.
- Retain supporting documentation for all audit steps performed for evidence and review.
- Regularly review and update the program in response to changes in procurement processes or regulations.