

Management Responses and Action Plan Report

Report Summary

Report Title	Operational Audit - Procurement Process
Date Issued	2024-03-20
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Management Responses & Action Plan

Observation	Risk/Impact	Management Response	Action Plan	Responsible	Target Date	Status
Insufficient vendor due diligence documentation.	Potential exposure to unvetted vendors and non-compliance.	We recognize the gap and agree with the recommendation.	Revise procurement procedures to include a mandatory checklist and vendor documentation validation prior to approval.	Procurement Manager	2024-05-15	In Progress
Lack of periodic review of authorized vendor list.	Increased risk of unauthorized transactions or outdated vendor data.	Periodic reviews will be instituted.	Establish semi-annual reviews and update process for vendor list.	Finance Department	2024-07-01	Planned
Delayed invoice approvals.	Impact on cash flow and vendor relationships.	We will monitor for recurring delays and escalate as needed.	Implement automated reminders and set approval timeframes in the system.	Accounts Payable Supervisor	2024-04-30	Completed

Conclusion

Management is committed to addressing the identified observations and ensuring execution of the action plans within the target dates. Progress will be monitored and updates provided to the Audit Committee.

Important Notes

- This document is a living record and should be updated as actions are completed or plans change.
- All responses and plans should be jointly reviewed by responsible parties and management.
- Clear assignment of responsibility and deadlines is critical for accountability.
- Periodic follow-up is recommended to track progress and closure of actions.
- Store completed reports securely to provide an audit trail for future reference.