

AUDITING AND MONITORING YOUR AGGREGATE SPEND PROGRAM

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AUDITING








- Audit Agenda
 - Who sets the agenda?
 - How often is the agenda set?
 - How are agenda items identified?
- Audit Plan
 - Who develops the agenda plan?
 - Who is responsible for conducting the audit?
 - What is being tested – policy/SOP, processes, systems, data?
- Audit Trail
 - What documentation is maintained?
 - How long is documentation maintained?

AUDITING

- Audit Process
 - Discovery
 - Data contained in aggregate spend system and/or other systems
 - Document collection
 - Scope creep
 - Analysis
 - Testing protocol
 - Observations and Recommendations
 - Improvements in policies, processes, systems, data capture
 - Reporting out
 - Corrective Action Plan
 - Corrective action
 - Internal investigation
 - External disclosure
 - Monitoring program

AUDITING

ADDITIONAL CONSIDERATIONS








-  Comprehensive vs. piecemeal aggregate spend approach
-  Automated spend system vs. manual reporting vs. combination
-  Enterprise-wide reporting framework
-  Data from third party vendors
-  Reconciliation and responding to inquiries
-  Internal versus external verification
-  Monitor and re-audit

MONITORING

- Purpose
 - Detect compliance issues, violations and trends
 - Complete data
 - Standardize data
 - Preparation for reporting
- Types of monitoring
 - System controls
 - “Modest” meals, minimum attendance, promotional caps, outliers
 - Flags and alerts
 - Dashboards
 - Management approvals
 - Manual review
 - Live monitoring
 - Ride-alongs, promotional programs, field contact reports, call notes

MONITORING

ADDITIONAL CONSIDERATIONS

-  What do other companies *really* do?
-  Automated spend system vs. manual reporting vs. combination
-  Monitoring agenda
-  Documentation and reporting out
-  Third party vendor data
-  Building more system controls
-  Corrective action

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