



Purchase to Payment Monitoring

Procurement Fraud

The purchase to payment process (P2P) remains one of the most complex business processes, often spanning multiple systems and operations. Despite the level of automation, including ERP implementations, P2P remains an area prone to fraud, money leakage, waste and inefficiency.

False invoicing and theft of inventory remain as major sources of fraud, both within management and non management ranks as well as with external suppliers. Interestingly, it takes an average of 342 days to detect a fraud, at which point 89% of all proceeds are unrecoverable. For the average organization with \$1.5m in fraud per year, \$1.34m is lost. *

These challenges are a source of major frustration for Senior Management in their efforts to gain full visibility into the P2P process. They want effective controls to manage their cash and the ability to more easily adapt and comply with regulations and internal policies, regardless of how and where procurement takes place.

Business Process Owners (BPO) want similar efficiency gains as well as activity metrics and benchmarks to help them understand performance over time. BPOs that can identify and resolve issues at source, rather than during the next audit, will get significant cost savings and realize efficiencies.

Continuous Monitoring

Continuous monitoring solutions provide an organization with an independent point of observation over its P2P business processes. It enables immediate identification of control breaches, fraud and money leakage, while ensuring data quality and providing feedback on key performance metrics across the entire process.

A key feature is the prompt distribution of fraud and deficiency issues as they occur. The SymSure framework ensures that these issues go to the right people and that they are addressed in a timely manner.

SymSure Purchase to Payment Monitoring

SymSure enables any P2P process to be monitored, regardless of the underlying systems, data sources, platforms or locations. Results from these disparate sources are consolidated and presented in SymSure for use by any authorized users, regardless of location.

Using SymSure, all facets of the P2P process, from Requisitioning through to Payment, can be monitored, providing insight into specific issues as well as the overall health of procurement controls. Notifications and workflow management are built into the SymSure framework ensuring that issues receive proper attention and their resolution managed.

SymSure’s suite of tests is comprehensive and covers the full lifecycle of P2P. The suite includes tests and reports for Segregation of Duties, Master Data Monitoring, Exception Reporting and Metrics & Performance Monitoring.

The following chart shows the different areas of P2P monitoring and some aspects that are monitored:

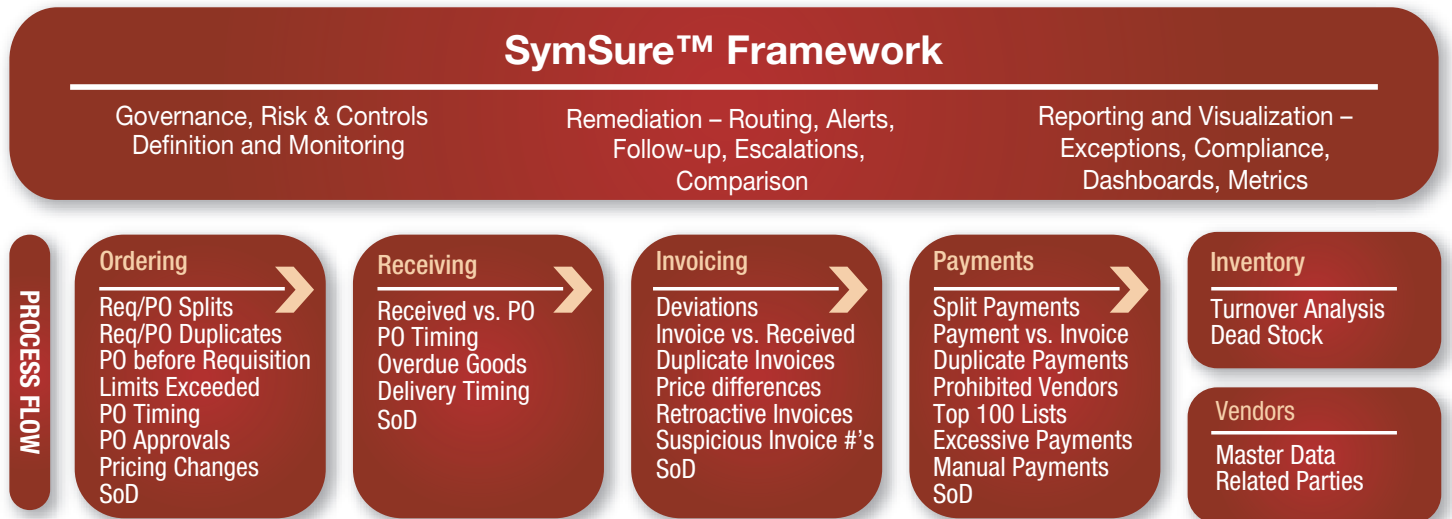


Figure 1 – SymSure P2P Monitoring Process

SymSure Workflow and Reporting

When an event occurs, relevant alerts are triggered and a stringent remediation process is followed to ensure that high risk activities are addressed as stipulated by the business process owners.

Other key aspects of the solution are automation of the reporting function and visualization of the process environment. SymSure automates key reporting for stakeholders, including regulators and external audit.

Reports include:

- Key Procurement Metrics
- Intra/Extra process SoD analysis
- Requisition > PO > Receipt > Invoice > Payment

Anomalies

- Fraud Analysis, Money Leakage
- Fast/Slow Turnaround Times

Sample P2P Reports

Inventory Analysis

- Dead Stock Analysis
- Top/Bottom Purchased Items
- Highest/Lowest Turnover
- Excessive Inventory Level Changes
- Price Change Impact

Vendor Management

- Potential Duplicated Vendors
- Vendor Information Incomplete
- Vendor - Employee and other Related Parties Matching
- Vendors Removed/Added

Requisitioning

- Requisition Limits
- Split Requisitions
- Old Requisitions
- Requisition SoD Conflicts

Purchasing

- Purchase Order Limits Exceeded
- Split Purchase Orders
- Old Purchase Orders
- Duplicate Purchase Orders
- PO vs. Requisition
- Purchase Order SoD Conflicts

Receiving

- Received vs. Purchased
- Receiving SoD Conflicts

Invoicing

- Invoice before Purchase Order
- Invoice vs. PO
- Invoice Limits Exceeded
- Invoice Sequence Numbers Anomalies
- Split Invoices
- Invoices to Prohibited Vendors
- Invoicing SoD Conflicts

Payments

- Accumulated Vendor Payment
- Payment vs. Invoice
- Duplicate Payments
- Split Payments
- Rapid Payment
- Gaps in Check Numbers
- Payment SoD Conflicts

Benefits

Business Challenge	SymSure Solution
<p>STAKEHOLDERS' REQUIREMENTS Escalating risk and compliance requirements</p>	<ul style="list-style-type: none"> • Provide enterprise wide definition and monitoring of controls and assurances that they are effectively implemented across all business processes
<p>AUTOMATION Automating control breach detection and remediation</p>	<ul style="list-style-type: none"> • Detects breaches at the data source • Distributes results across the enterprise by customer-defined rules via dashboards, e-mail, SMS • Provides workflow for remediation including automatic detection of resolution of errors • Allows the user to define controls in multiple business processes with a consolidated view • Increases efficiency by making analytics repeatable with the ability to adjust tolerances • Business rules and parameters are customizable and new logic can be built by the organization • Monitoring can also be applied to business metrics • Issues are identified as soon as they occur
<p>INTEGRATION Seamlessly integrate into existing solutions</p>	<ul style="list-style-type: none"> • No changes required to underlying systems being monitored • Non-intrusive access to data and cannot amend source data • User and group security with LDAP support • Strong encryption
<p>PROCESS OPTIMIZATION Makes the process more efficient and less costly</p>	<ul style="list-style-type: none"> • Issues detected more timely • Lower recovery costs • Greater level of automation • Compliance and other reporting automatically generated • Knowledge and expertise captured in the control systems and made repeatable

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