
Master Vendor File Data Reliability

Scope Statement – July 15, 2009

Master vendor file

The city's master vendor file is maintained in PeopleSoft. The data in this file is the city's most authoritative source for vendor information including vendor name, vendor number, contact information, services provided, and tax ID number. The master vendor file is the central reference the city uses to process vendor payments and identify valid vendors to solicit for proposals and bids.

Staff in the Finance Department's Accounts Division are responsible for creating and approving a vendor's master file. The General Services Department is responsible for entering information related to the scope of services offered by the vendor into the file. The Human Relations Division is responsible for entering information on the vendor's Affirmative Action status into the file.

Why audit the master vendor file?

The master vendor file is a critical city resource. Inaccurate, incomplete, or unauthorized master vendor files could have a negative effect on processing vendor payments, make it difficult to identify potential vendors for proposals and bids, and increase the risk of fraud or abuse in the city's vendor payments. The master vendor file was used to process over \$6 billion in city payments between May 2004 and April 2009.

Audit objectives

Our objectives are to answer the following questions:

- Is the data in the master vendor file reliable (complete and accurate)?
- Are the city's practices consistent with recommended practices for managing a master vendor file?

Audit methods

We will interview city staff; review the city's established policies and procedures for managing the master vendor file; examine electronic records and supporting documentation for the vendor master file; and review literature to identify recommended practices.

Anticipated release date

We plan to present the audit report to the City Council in October 2009.