

Activity-Based Format for Compliance Audit Program Structuring

Audit Title: Vendor Compliance Audit

Prepared By: Compliance Audit Team

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Audit Objective

To evaluate vendor adherence to company procurement policies and applicable regulatory requirements.

Audit Scope

Review procurement activities with all active vendors for the fiscal year 2023–2024.

Audit Activities and Procedures

Activity	Description	Procedures	Responsible
Planning	Define audit scope, objectives, and schedule.	<ul style="list-style-type: none">Review prior audit reports.Identify key compliance areas.Schedule entrance meeting with stakeholders.	Audit Lead
Document Collection	Obtain relevant documentation from vendors.	<ul style="list-style-type: none">Request and collect procurement records.Gather contracts and supporting documents.	Audit Team
Compliance Testing	Test adherence to procurement policies.	<ul style="list-style-type: none">Sample transactions for detailed review.Verify approvals and authorization signatures.Review for compliance exceptions.	Audit Staff
Reporting	Summarize findings and prepare audit report.	<ul style="list-style-type: none">Document non-compliance issues.Discuss findings with stakeholders.Draft and finalize compliance report.	Audit Lead
Follow-up	Monitor action plans for remediation.	<ul style="list-style-type: none">Obtain remediation status updates.Retest open issues as needed.	Audit Team

Documentation & Evidence

- Procurement records and transaction logs
- Vendor contracts and correspondence
- Compliance test checklists
- Audit working papers

Reporting & Communication

- Draft audit report shared with key stakeholders
- Management response incorporated
- Final report delivered to compliance management and audit committee

Important Notes

- This format organizes the audit around specific activities, promoting clarity and accountability.
- Clearly defines roles and responsibilities for each audit stage.
- Facilitates effective planning and communication across audit teams.
- Supports traceability of audit procedures and findings.
- Should be customized to fit the organization's unique requirements and risks.