

Risk-Based Compliance Audit Program

1. Audit Program Overview

Audit Title:
Sample Risk-Based Compliance Audit Program

Audit Period:
January 1, 2024 – December 31, 2024

Department/Process:
Compliance & Regulatory Affairs

Prepared by:
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Date Prepared:
June 30, 2024

2. Objective

To assess the effectiveness of internal controls in ensuring compliance with applicable laws, regulations, and internal policies using a risk-based approach.

3. Risk Assessment Summary

Risk Area	Inherent Risk Level	Controls in Place	Residual Risk Level
Anti-Money Laundering (AML)	High	Daily transaction monitoring, regular training	Medium
Data Privacy Compliance	Medium	Access controls, annual review	Low
Third-Party Due Diligence	High	External screening, onboarding checklist	Medium

4. Audit Scope & Coverage

- Review of AML controls and procedures
- Assessment of data privacy measures
- Evaluation of third-party due diligence processes
- Testing sample transactions for compliance breaches

5. Audit Procedures

- Conduct interviews with department personnel
- Examine policy and procedure documents
- Review transaction samples based on risk
- Perform walkthroughs of critical processes
- Test controls for effectiveness and document findings
- Report issues categorized by risk level

6. Reporting & Follow-up

All identified issues will be classified by risk severity. Recommendations and action plans will be tracked until resolution. Re-audits or targeted follow-ups will be scheduled for high-risk areas.

Important Notes

- The risk-based approach allows focusing resources on higher risk areas.
- Risk assessments should be updated regularly based on emerging threats and changes in business operations.
- This format should be customized to fit organizational needs and regulatory requirements.
- Clear documentation supports transparency and accountability in the audit process.