

Audit program revision summary

This document provides a summary of the changes to the Audit Program. Links to view the Audit Program, with and without the changes highlighted, are provided on page 2.

Audit rating categories (page 8-38)

Audit rating categories have been renamed. The new audit rating categories have been updated throughout document.

Post-audit broker meeting (page 8)

Once the audit field work is completed, the auditor will request a meeting with the broker to discuss preliminary observations. For audits carried out in the Commission office, the meeting may be conducted via conference call.

Audit rating includes broker review process (page 8)

Brokers who disagree with their audit rating may request a review of their rating by the Registrar. The request must be in writing and provide supporting reasons as to why they are disputing the rating. The Registrar's decision is final.

Broker remediation requirement (page 8)

Brokers that receive a Needs Improvement audit rating will need to provide the auditor with a written action plan outlining what steps they will take to ensure similar discrepancies do not continue in the future.

Audit process philosophy (page 10)

New Chapter 2. The Audit Task Force provided a philosophy chapter that provides overview and rationale of why audits are conducted.

Discrepancy categories (page 12)

New Chapter 3. This content was previously included in Chapter 2: Audit Ratings and Frequency (now Chapter 8). The categories of discrepancies were re-evaluated and the serious level was reduced for a number of discrepancies. This section also addresses that determining discrepancies may require a level of subjectivity on the part of the auditor and, in these circumstances, the auditor may apply discretion.

Trust account inspection (page 14)

Section was updated to clarify it is an inspection of individual trust transactions and a review and assessment of the four-trust account record keeping requirements.

Transaction file review (page 21)

Section was updated to list the transaction file documents that are reviewed.

Commercial requirements—transaction file review (page 25)

Section was updated to list the transaction file documents that are reviewed.

Audit Ratings and Frequency (page 29)

Now Chapter 8, previously Chapter 2.

Audit Program Revision Summary—Changes Effective January 1, 2020

Audit ratings (page 33)

Audit rating categories, which were numbers in the previous version of the guide, are renamed and category 1 was removed:

- 1—Disciplinary Action is removed
- 2—replaced with “At Risk”
- 3—replaced with “Needs Improvement”
- 4—replaced with “Satisfactory”
- 5—replaced with “Excellent”

The remainder of this section provides an overview of the new rating system.

Trust account audits (page 29)

This section documents the trust account sample selection, collection of data, analysis of data, and assignment of rating.

Transaction file review (page 31)

This section documents the transaction file sample selection, collection of data, analysis of data, and assignment of rating.

Description of ratings (page 33)

Rating “4” is replaced with “Satisfactory”.

Audit frequency (page 34)

Section was updated to reflect new audit rating categories (terminology change).

Corrective action (page 37)

Automatic administrative penalties were removed and section was updated to reflect new audit rating categories.

View the revised Audit Program

View the revised [Audit Program](#).

View the revised [Audit Program with the changes highlighted](#).