

Expedited Compliance Document Evaluation

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Key Points

- **Many seek the quickest and least expensive means to have their compliance programs evaluated.**
- **Common methods for independent evaluations are discussed below.**
- **Reports that lack recommendations for advancing compliance programs are a waste of resources.**

Compliance officers bear the responsibility of continually improving the effectiveness of compliance programs. Like other program managers, they are charged with conducting monitoring and implementing improvements in their areas of responsibility. However, they cannot independently audit or evaluate their own operations. Those reviews need to be performed by parties independent of the compliance office, and the results must provide convincing evidence to support findings and recommendations.

When deciding upon a method to meet this challenge, it is important to consider the return on investment. The most credible method, which is supported by the United States Department of Justice (DOJ) and Department of Health and Human Services (HHS) Office of the Inspector General (OIG), is to conduct an independent [Compliance Program Effectiveness Evaluation](#) that includes a 360-degree examination of the program. This involves detailed examination of supporting documentation, coupled with numerous interviews of executives, board members, and front-line managers. It also includes testing the program's operations.

This method of review produces the most thorough results, but it is more costly than other methods. Many compliance officers therefore turn to the less expensive review option of a gap analysis. However, the reduction in expense is matched by a decrease in the value of the review results. Gap analyses focus on document checklist reviews that identify areas where additional documentation is needed, but they do not assess the quality of existing written guidance. Therefore, a gap analysis will not

provide recommendations for improvements to existing controls; it will simply identify missing controls (or gaps) within the program.

A third method of compliance program review is an [independent compliance or knowledge survey of employees](#). This employee-centric approach is the least expensive method, and it is limited to gathering feedback from employees on how well the compliance program is understood and followed.

An Expedited Compliance Document Evaluation is another inexpensive option to consider. It is a review of narrow scope and limited to a detailed analysis of compliance-related documents, including the Code of Conduct, compliance program and committee charters, and compliance-related policies and procedures. It should identify any missing guidance documents as well as the absence of important information in existing documents. This type of review directly responds to expectations outlined in the *DOJ Compliance Program Effectiveness Evaluation Guidelines* and OIG compliance guidance documents. The results can identify and provide guidance on areas that warrant improvements. Unlike a Gap Analysis, an Expedited Compliance Document Evaluation should not be a checklist review of documents. Rather, it should be an in-depth examination of the written guidance as well as the processes by which policies are developed, managed, reviewed, approved, and maintained. It should address: (a) the form and format of documents; (b) the policy development process (including ownership and approval); (c) document control and management; (d) review of individual policies for content, clarity, and concision; and (e) evaluation of reading level and overall user-friendliness. The benefits resulting from such a review will depend upon the expertise and experience of those who conduct it. The findings should be supported by specific recommendations for improvement in the categories examined.

Both the OIG and DOJ place heavy emphasis on continual improvement and evaluation of compliance programs. Regardless of which evaluation method is used, the results should provide meaningful findings as well as specific recommendations to help advance the effectiveness of the program. In short, programs that are static in their evolution and development are questionable with regard to their effectiveness. Any review that is limited to a positive “report card” result with few significant findings is a waste of money.

For more information on the topic of Expedited Compliance Document Examination, contact Richard Kusserow at rkusserow@strategicm.com.