

# COMPLIANCE OVERSIGHT PROGRAMS

---

## Structure, Scope & Testing Approaches



**86% (38) of survey respondents indicated they have a Compliance Oversight Program.**

- Of those without a program:
  - 17% (1) plan to have a program in place by year end 2025
  - 67% (4) plan to have a program in place by year end 2026
  - 16% (1) do not plan to develop a program



**74% (14) of survey respondents with a program, place the program in Compliance.**

- Other locations included:
  - 16% (3) place the program in Legal
  - 10% (1) place the program in another location\*

\*Survey comments: 1.) a respondent noted their program resides in a mix of Compliance and Business Units, 2.) another respondent noted their Compliance Testing Group works in collaboration with Internal Audit to carry out the company's oversight efforts.

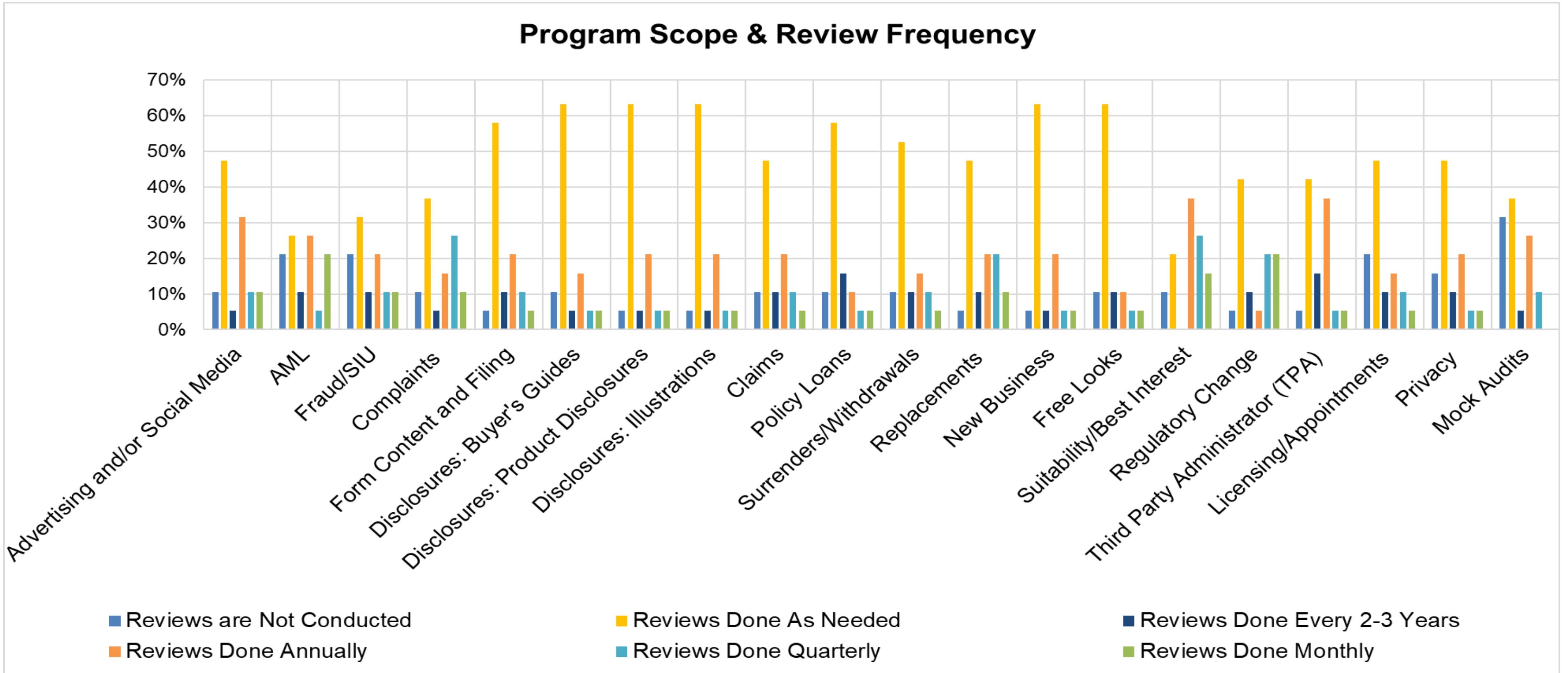
**79% (15) of the individuals responding to the compliance oversight staffing question indicated 1-3 FTE/staff to carry out their company's compliance oversight program.**

- Other staffing models noted included:
  - 11% (2) of respondents have 4-6 FTE/staff
  - 10% (2) of respondents have 15+ FTE/staff



# FUNCTIONS REVIEWED & THE FREQUENCY

A wide array of functions are reviewed at varying frequencies.



# FUNCTIONS REVIEWED & THE FREQUENCY

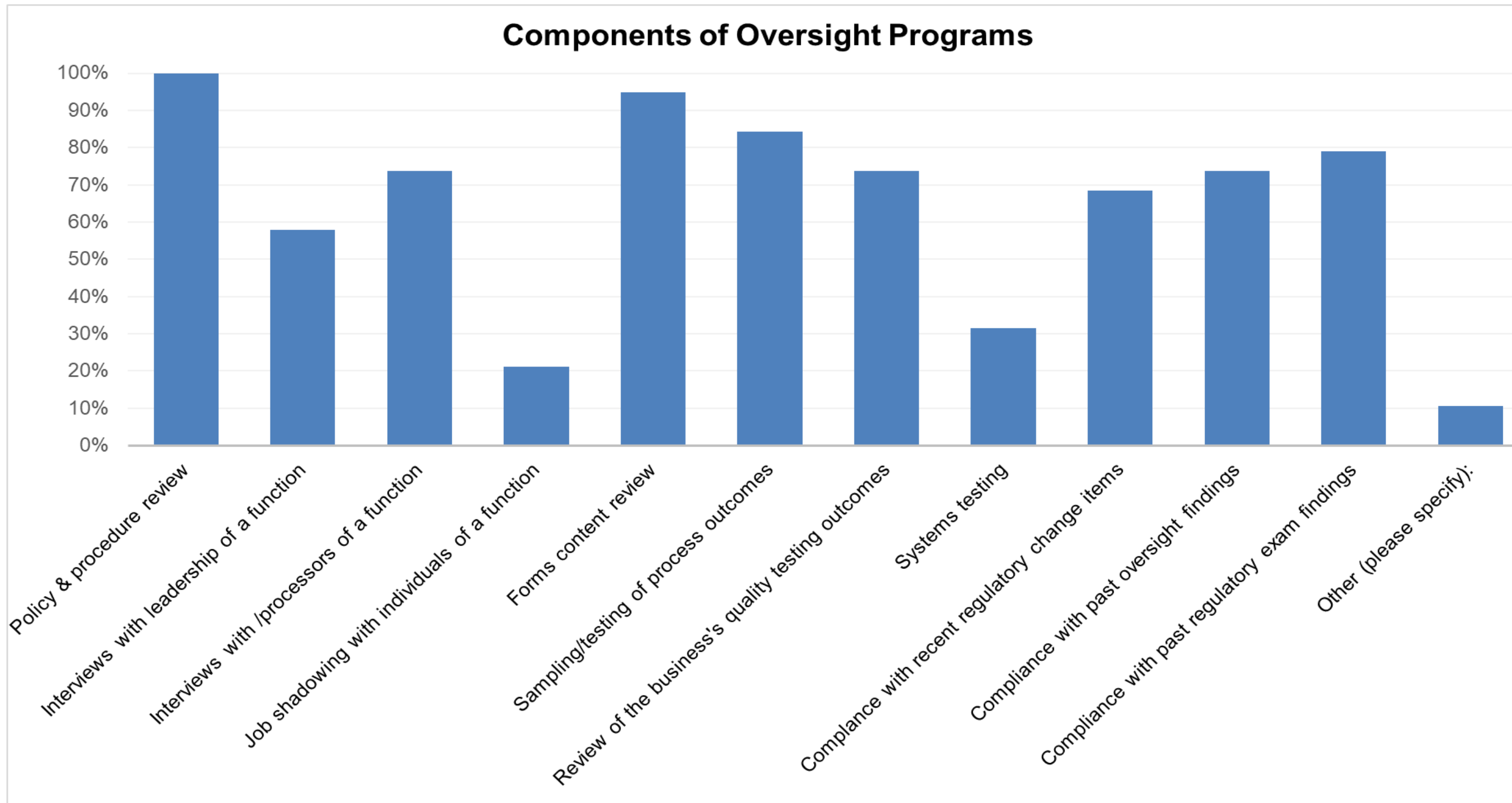


Subject Matter	Not Reviewed	As Needed	Biennial or Triennial	Annual	Quarterly	Monthly
Advertising and/or Social Media	10.53%	47.37%	5.26%	31.58%	10.53%	10.53%
AML	21.05%	26.32%	10.53%	26.32%	5.26%	21.05%
Fraud/SIU	21.05%	31.58%	10.53%	21.05%	10.53%	10.53%
Complaints	10.53%	36.84%	5.26%	15.79%	26.32%	10.53%
Form Content and Filing	5.26%	57.89%	10.53%	21.05%	10.53%	5.26%
Disclosure Compliance: Buyer's Guides	10.53%	63.16%	5.26%	15.79%	5.26%	5.26%
Disclosure Compliance: Product Disclosures	5.26%	63.16%	5.26%	21.05%	5.26%	5.26%
Disclosure Compliance: Illustrations	5.26%	63.16%	5.26%	21.05%	5.26%	5.26%
Claims	10.53%	47.37%	10.53%	21.05%	10.53%	5.26%
Policy Loans	10.53%	57.89%	15.79%	10.53%	5.26%	5.26%
Surrenders/Withdrawals	10.53%	52.63%	10.53%	15.79%	10.53%	5.26%
Replacements	5.26%	47.37%	10.53%	21.05%	21.05%	10.53%
New Business	5.26%	63.16%	5.26%	21.05%	5.26%	5.26%
Free Looks	10.53%	63.16%	10.53%	10.53%	5.26%	5.26%
Suitability/Best Interest	10.53%	21.05%	0.00%	36.84%	26.32%	15.79%
Regulatory Change	5.26%	42.11%	10.53%	5.26%	21.05%	21.05%
Third Party Administrator (TPA)	5.26%	42.11%	15.79%	36.84%	5.26%	5.26%
Licensing/Appointments	21.05%	47.37%	10.53%	15.79%	10.53%	5.26%
Privacy	15.79%	47.37%	10.53%	21.05%	5.26%	5.26%
Mock Audits	31.58%	36.84%	5.26%	26.32%	10.53%	0.00%

**Behind the Data:**  
A deeper dive of the data revealed that many compliance reviews are conducted on an “as-needed” basis. Reliance on “annual reviews” was the second most prominent response. (Blue highlights reflect a 15%+ response rate from survey respondents.)

# CONTENT REVIEWED

The most common oversight activities included the review of policies and procedures, the review of forms, sampling/testing and verification of compliance with past examination findings.



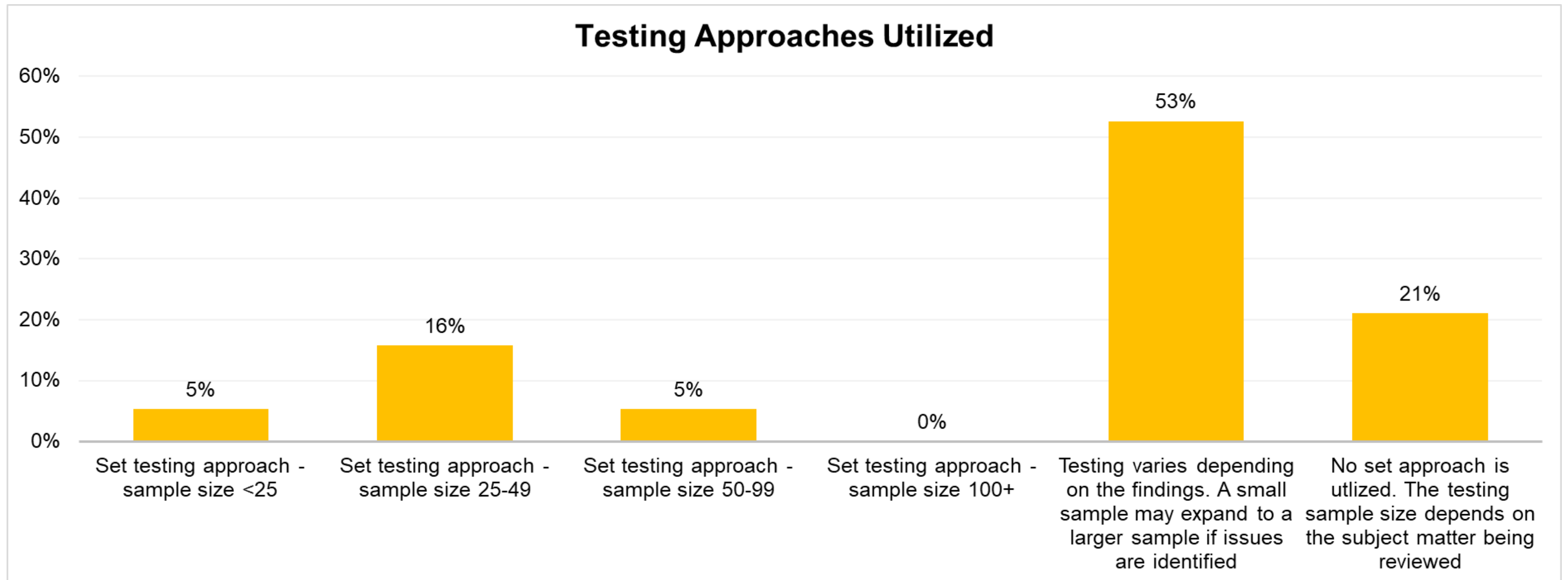
## “Other” Responses

Two survey respondents indicated they utilize:

- Completed questionnaires and certifications from business process owners
- Risk-based testing (i.e., higher risks are tested more frequently)

# TESTING APPROACHES

**74% (14) of individuals responding to the survey question regarding testing approaches indicated their Compliance Oversight Program testing efforts varied depending on either the findings of preliminary testing or based on the subject matter being reviewed.**



## Additional Resources:

- Please visit [this page](#) of CEFLI.org for helpful compliance oversight resources– materials shared by CEFLI Member Companies and resources developed by CEFLI.  
**[CEFLI.org> Resources> Additional Resources> Compliance Oversight Resources](#)**  
(then, click on the first link on that page).
- Members must be logged in to access CEFLI Member Resources. If you do not have a CEFLI Logon, you may register for access to the site using this link: <https://cefli.org/register/>.  
CEFLI Member access requests will be approved within 1-2 business days.

## Networking Forum:

- Join our **[Compliance Oversight Programs Networking Forum](#)**! The Forum meets quarterly for 60-90 minutes during the third month of each quarter. To join the Forum, please contact: [NancyPerez@CEFLI.org](mailto:NancyPerez@CEFLI.org)





*“The Forum that Connects”*

