

Review Area	Review Considerations	Control in Place	Reference / Link	Comments
<b>Source</b>	<i>Relied on the Enforcement Release: April 25, 2022 OFAC Settles with British American Tobacco p.l.c. for</i>		<a href="https://ofac.treasury.gov/media/931661/download?inline">https://ofac.treasury.gov/media/931661/download?inline</a>	
<b>Scope</b>	Prepare for reviews that will help assess OFC controls that include:			
	(1) Management Commitment			
	(2) Internal Controls / Risk Assessment			
	(3) Training			
	(4) Monitoring and Testing			
<b>Management Commitment</b>	Assess OFAC sanctions controls by checking to see whether there are clear examples of management commitment:			
	o Senior management has reviewed and approved sanctions compliance program.			
	o Compliance unit(s) is (are) delegated sufficient authority and autonomy to deploy its policies and procedures in a manner that effectively controls sanctions risk.			
	o Compliance unit(s) receives (receive) adequate resources—including in the form of human capital, expertise, information technology, and other resources, as appropriate—that are relative to breadth of operations, target and secondary markets, and other factors affecting its overall risk profile.			
	o Senior management promotes a “culture of compliance” throughout the organization.			
	o Senior management communicates the importance of the laws and regulations administered by OFAC and acknowledges its understanding of these requirements, committing to implementing necessary measures to reduce the risk of recurrence of potential violations in the future.			
<b>Risk Assessment</b>	Conduct an OFAC risk assessment:			
	o In a manner, and with a frequency, that adequately accounts for potential risks.			
	o Such risks could be posed by its clients and customers, products, services, supply chain, intermediaries, counterparties, transactions, or geographic locations, depending on the nature of the organization.			
	o Risks could be posed by its clients and customers, products, services, supply chain, intermediaries, counterparties, transactions, or geographic locations,			
	o A methodology exists to identify, analyze, and address the particular risks.			
	o The risk assessments will be updated to account for the conduct and root causes of any apparent violations or systemic deficiencies identified during the routine course of business, for example, through a testing or audit function.			

OFAC Sanctions Compliance Sample Checklist

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<b>Internal Controls</b>	Develop and implement written policies and procedures outlining a sanctions compliance program in consideration of the following:			
	o These policies and procedures are relevant to the organization, capture day-to-day operations and procedures, are easy to follow, and designed to prevent employees from engaging in misconduct.			
	o internal controls are implemented that adequately address the results of its sanctions risk assessment and profile.			
	o Internal controls should clearly and effectively identify, interdict, escalate, and report to appropriate personnel within the organization transactions and activity that may be prohibited by OFAC.			
	o To the extent information technology solutions factor into internal controls, solutions in a manner that is appropriate			
	Enforcing the policies and procedures it implements as part of its sanctions compliance internal controls through internal or external audits.			
	o Ensuring OFAC-related recordkeeping policies and procedures adequately account for its requirements pursuant to the sanctions programs administered by OFAC.			
	o Ensuring that, upon learning of a weakness in its internal controls pertaining to sanctions compliance, immediate and effective action will be taken, to the extent possible, to identify and implement compensating controls until the root <u>cause of the weakness can be determined and remediated.</u>			
	o Clear communications of the sanctions compliance program's policies and procedures to all relevant staff, including personnel within the sanctions compliance			
	o Appointed personnel to integrate the sanctions compliance program's policies and procedures into daily operations.			
	o Process includes consultations with relevant business units and confirms employees understand the policies and procedures.			
<b>Testing and Auditing</b>	Design and maintain a testing or audit function of the sanctions program that:			
	o Factors in accountability to senior management,			

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	o Is independent of the audited activities and functions, and			
	o Has sufficient authority, skills, expertise, resources, and authority within the organization.			
	o Employs testing or audit procedures appropriate to the level and sophistication of its sanctions compliance program and that this function, whether deployed internally or by an external party, reflects a comprehensive and objective assessment of sanctions- related risks and internal controls.			
	o Upon learning of a confirmed negative testing result or audit finding pertaining to its sanctions compliance program, it will take immediate and effective action, to the extent possible, to identify and implement compensating controls until the root cause of the weakness can be determined and remediated.			
<b>Training:</b>	Deliver OFAC-related training program:			
	o Provides adequate information and instruction to employees and, as appropriate, stakeholders (for example, clients, suppliers, business partners, and counterparties) in order to support sanctions compliance efforts.			
	o Provide with a scope that is appropriate for the products and services it offers; the customers, clients, and partner relationships it maintains; and the geographic regions in			
	o Provides with a frequency that is appropriate based on its OFAC risk assessment and risk profile and, at a minimum, at least once a year to all relevant employees.			
	o Commits to ensuring that, upon learning of a confirmed negative testing result or audit finding, or other deficiency pertaining to its sanctions compliance program, it will take immediate and effective action to provide training to			
	Includes easily accessible resources and materials that are available to all applicable personnel.			
<b>Annual Certification:</b>	Annually, a senior-level executive or manager will submit a report representing implemented and continued sanctions compliance measures as committed above.			
<b>Resources</b>				
	OFAC published A Framework for Compliance Commitments (the "Framework") in order to provide organizations subject to U.S. jurisdiction, as well as foreign entities that conduct business in or with the United States or U.S. persons, or that use U.S.-origin goods or services, with OFAC's perspective on the essential components of a sanctions compliance program.			
	Information concerning the civil penalties process can be found in the OFAC regulations governing each sanctions program; the Reporting, Procedures, and Penalties Regulations, 31 C.F.R. part 501; and the Enforcement Guidelines. These references, as well as recent final civil penalties and enforcement information, can be found on OFAC's website at <a href="https://ofac.treasury.gov/civil-penalties-and-enforcement-information">https://ofac.treasury.gov/civil-penalties-and-enforcement-information</a> .			
	For more information regarding OFAC regulations, please go to: <a href="https://ofac.treasury.gov">https://ofac.treasury.gov</a>			