



# **OFAC Essentials Certificate Course Participant Guide**

January 2019

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**Please contact ACSS if you have any questions about this resource or about membership in the Association of Certified Sanctions Specialists (ACSS)**

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**PLEASE READ ALL THE ENCLOSED MATERIAL PRIOR TO STARTING THE COURSE.**

## About ACSS

The Association of Certified Sanctions Specialists is an international membership organization that provides a platform for career development and professional networking for individuals and is a resource for financial institutions and related businesses to identify and locate specialists in the rapidly expanding sanctions field.

### **Contact information:**

ACSS

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## Certificates of Attendance and CE Credits

For a certificate of attendance after your virtual classroom, contact us at [helpdesk@sanctionsassociation.org](mailto:helpdesk@sanctionsassociation.org)

At times, ACSS requests ACAMS, American Bankers Association/Institute of Certified Bankers (ICB) and other associations' Continuing Education credits. Some associations require you to attend the virtual classroom live to be able to receive credits. Please contact us at [helpdesk@sanctionsassociation.org](mailto:helpdesk@sanctionsassociation.org) if the class qualifies or more information.

## Staff Listing

### **ACSS Support Staff**

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## About this Course

### Why this course?

In order to meet the need for more in-depth training on OFAC Essentials and mitigate the risk of costly sanctions violations, ACSS developed an online OFAC training program, which teaches vital OFAC principles and background all OFAC sanctions compliance staff should understand.

You will learn about terms such as “blocking”, “delisting”, “SSI”, “program tags” and much more.

Part of this course is self-paced, and part of this course is by attending a live virtual classroom.

### Target audience

- OFAC/Sanctions Compliance Officers
- OFAC Analysts
- OFAC investigators
- General Counsels
- OFAC Compliance Managers
- OFAC Testing Analysts

### What is it?

The OFAC Essentials Certificate Course is a 7-part course, consisting of approximately 7 training hours, across 4 weeks. The course is delivered in an online format.

### How it is structured?

The course can be completed online, and consists of 7-parts:

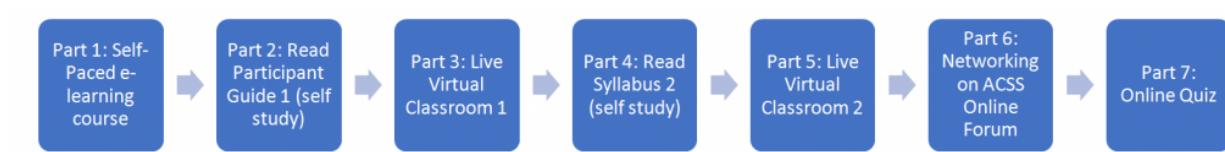


Figure 1: Process OFAC Essentials Certificate Program

## *PART 1: Self-Paced E-Learning Course: OFAC Foundations*

This is a 30-minute self-paced e-learning course/recorded webinar on the ACSS Learning Management System (LMS), which covers OFAC Foundations:

- A short scenario
- What is OFAC and mission
- History
- OFAC sanctions and their objectives
- Different types of OFAC sanctions regimes
- Who must comply?
- Fines
- “OFAC online” – Where to find things on the OFAC website

**The course will be available by January 21, 2019 - – Must be completed by January 29, 2019**

### *Part 2: Reading Assignment (30 minutes)*

A PDF that you can download, containing key terms and definitions participants need to read to prepare for Virtual Class 1.

**This will be available by January 21, 2019 – Must be completed by January 29, 2019**

### *PART 3: Virtual Classroom #1: Legal Authorities and How OFAC Works (1 hour and 30 minutes)*

**This session will take place on Wednesday January 30, 12:00 – 1:30 PM ET. You will receive a log in. We use GotoTraining from Citrix. See below in this participant guide for technical requirements and how to test your system.**

**If you miss the live session, you must see the recording of the missed class on our platform. It will be available a few days after the live session.**

Interactive live virtual classroom (webinar with interaction, Q&A sessions, audience polls which are practice questions.)

A Walking Tour Through main OFAC legal authorities

- IEEPA – what is it, when enacted, where to be found, what does it do?
- TWEA – what is it, when enacted, where to be found, what does it do?
- Anti-Terrorism and Effective Death Penalty Act, Foreign Narcotics Kingpin Designation Act others
- Presidential Executive Orders
- OFAC Regulations codified at 31 CFR Ch V–main clauses
- Short Exercise/case study/Audience polls (practice questions)

#### Categories, Principles and Core Concepts Used Throughout Sanctions Regimes Administered by OFAC

- Categories: Comprehensive, vs limited, country regimes, list-based regimes, sectoral, extraterritorial, and other categories of regimes. Provide examples.
- High level principles and core concepts or core prohibitions under Main OFAC administered Sanctions Regimes.
- Important concepts or terms used throughout a number of OFAC administered sanctions programs (e.g. facilitation)
- Short Exercise/case study/Audience polling questions

#### Overview of OFAC Organizational structure – who does what?

- Sanctions Policymaking & Coordination
- OFAC Compliance – how does OFAC assist with compliance efforts?
- OFAC Licensing Department – How does this department work?
- OFAC Global Targeting & Investigations
- Short Exercise/case study/Practice questions

#### Q&A with audience

### *PART 4: Reading Assignment (30 minutes)*

A PDF, containing key terms and definitions participants need to read to prepare for Virtual Class 2.

### *PART 5: Virtual Classroom #2: OFAC Risk Management and Enforcement (90 minutes)*

[This session will take place on Wednesday February 6, 12:00 – 1:30 PM ET. You will receive a log in. We use GotoTraining from Citrix. See below in this participant guide for technical requirements and how to test your system.](#)

**If you miss the live session, you must see the recording of the missed class on our platform. It will be available a few days after the live session.**

Interactive live virtual classroom (webinar with interaction, such as case studies, Q&A sessions, audience polls and practice questions.)

#### Recognizing OFAC Sanctions Risks: Sound OFAC Risk Assessment

- Inherent and residual risk.
- How to structure a sound risk assessment and calculate risks?

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- OFAC Compliance Program – Control Basics
- OFAC Policy: What should it contain?
- Designated persons, prohibitions
- OFAC Training: Who, what, where, when and why?
- OFAC Independent Review
- Short Exercise/case study/Practice questions

Customer Due Diligence and Screening

- Prohibited Transactions
- Due Diligence and how the 50% rule works
- List matching/screening and assessing OFAC name matches
- Voluntary disclosures: how to go about it?

Blocking and Rejecting and Reporting to OFAC

Releasing blocked funds

Short exercise /case study/Practice questions

OFAC Reporting Requirements

- Report of Blocked and Rejected Transactions Form: Form to Use, How to Fill Out?
- Annual Report of Blocked Property Form
- Short Exercise/case study/Practice questions

OFAC Licenses

- When you need a license
- How to apply, forms to use? Where to submit
- How long does it take?

OFAC Enforcement:

- OFAC Enforcement Guidelines
- OFAC's Administrative Subpoena (31 C.F.R. § 501.602): Process and Response.
- Consequences of non-compliance: Penalties, and other types of actions
- Interaction with other agencies
- Short exercise/case study/practice questions

Q&A with Audience

## *PART 6: Networking*

Posting of Message or Question on ACSS Forum/List Serve (15 minutes)

## *PART 7: Final Assessment (45-minutes)*

Online Quiz: This is a multiple question quiz in multiple choice format. The quiz is posted on our LMS. You can take the quiz up to 3 times. You have one month to take the quiz. You need to successfully pass the quiz in order to complete the course and obtain the Certificate of Completion.



## Pre-Course Test Your Knowledge Quiz

*(This is not a required test)*

- 1) What is OFAC?
  - a. an agency of the US Department of Homeland Security
  - b. the Office of Financial Asset Control
  - c. the Office of Foreign Assets Control, an agency of the US Department of the Treasury charged with administering and enforcing US economic sanctions
  - d. a front for the CIA
  
- 2) What is the difference between primary and secondary sanctions
  - a. Primary sanctions govern the activities of US persons with targets of US sanctions, while secondary sanctions threaten non-US persons with becoming US sanctions targets themselves if they continue certain dealings with targets of US sanctions
  - b. Primary sanctions are more important sanctions and secondary sanctions are less important
  - c. Secondary sanctions require compliance by everyone and primary sanctions only require compliance by persons in the United States
  - d. Secondary sanctions are the ones you pay attention to when you have fully complied with primary sanctions.
  
- 3) For purposes of OFAC sanctions, US persons includes:
  - a. US citizens and permanent residents, but only while in the United States
  - b. US citizens and permanent residents wherever they are located worldwide
  - c. Foreign-located subsidiaries of foreign corporations who have significant operations in the US market
  - d. US corporations, but only their activities based out of the United States
  
- 4) Which of the following is true of OFAC civil penalties
  - a. They are only used against financial institutions
  - b. They require OFAC to prove intent to violate sanctions
  - c. They are rarely noticed by regulators
  - d. They are imposed administratively, require no knowledge or intent, and can easily reach hundreds of millions of dollars
  
- 5) Sanctions are typically designed to do the following
  - a. Modify behavior of the sanctions target
  - b. Punish the sanctions target
  - c. Protect assets from access by a sanctions target
  - d. All of the above

Answers to Test Your Knowledge Quiz on the next page.

1 – C

2 - A

3 – B

4 – D

5 – D

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## System Requirements for Attendees

[carlos]