

SAMPLE OFAC COMPLIANCE PROGRAM EVALUATION MATRIX

Credit Union

OFAC references the risk areas found in Appendix M of the FFIEC's exam manual and provides the following additional elements for a financial institution to evaluate its compliance program in [*Appendix A to 31 C.F.R. Part 501*](#). The term "bank" encompasses credit unions.

Instructions for completing the Credit Union's Summary Conclusions:

- Risk Rating: Rate each element as Low, Moderate, or High, based on the guidance provided in the OFAC Risk Matrix columns.
- Supporting Information: Describe the steps that were taken to assess the risk area. Include quantitative data and historical trends when appropriate.

		OFAC Risk Matrix		
Element	Credit Union's Summary Conclusions	Low	Moderate	High
Management Awareness	Risk Rating: ☐ L ☐ M ☐ H	Management has fully assessed the bank's level of risk based on its customer base and product lines. This understanding of risk and strong commitment to OFAC compliance is satisfactorily communicated throughout the organization.	Management exhibits a reasonable understanding of the key aspects of OFAC compliance and its commitment is generally clear and satisfactorily communicated throughout the organization, but it may lack a program appropriately tailored to risk.	Management does not understand, or has chosen to ignore, key aspects of OFAC compliance risk. The importance of compliance is not emphasized or communicated throughout the organization.
	Supporting Information:			
Compliance Program, Policies, Procedures and Processes	Risk Rating: ☐ L ☐ M ☐ H	The board of directors, or board committee, has approved an OFAC compliance program that includes policies, procedures, controls, and information systems that are adequate, and consistent with the bank's OFAC risk profile.	The board has approved an OFAC compliance program that includes most of the appropriate policies, procedures, controls, and information systems necessary to ensure compliance, but some weaknesses are noted.	The board has not approved an OFAC compliance program, or policies, procedures, controls, and information systems are significantly deficient.
	Supporting Information:			
Staffing of the Compliance Program	Risk Rating: ☐ L ☐ M ☐ H	Staffing levels appear adequate to properly execute the OFAC compliance program.	Staffing levels appear generally adequate, but some deficiencies are noted.	Management has failed to provide appropriate staffing levels to handle workload.
	Supporting Information:			

		OFAC Risk Matrix		
Element	Credit Union's Summary Conclusions	Low	Moderate	High
Compliance Authority and Accountability	Risk Rating: ☐ L ☐ M ☐ H	Authority and accountability for OFAC compliance are clearly defined and enforced, including the designation of a qualified OFAC officer.	Authority and accountability are defined, but some refinements are needed. A qualified OFAC officer has been designated.	Authority and accountability for compliance have not been clearly established. No OFAC compliance officer, or an unqualified one, has been appointed. The role of the OFAC officer is unclear.
	Supporting Information:			
Training	Risk Rating: ☐ L ☐ M ☐ H	Training is appropriate and effective based on the bank's risk profile, covers applicable personnel, and provides necessary up-to-date information and resources to ensure compliance.	Training is conducted and management provides adequate resources given the risk profile of the organization; however, some areas are not covered within the training program.	Training is sporadic and does not cover important regulatory and risk areas.
	Supporting Information:			
Quality Control	Risk Rating: ☐ L ☐ M ☐ H	The institution employs strong quality control methods.	The institution employs limited quality control methods.	The institution does not employ quality control methods.
	Supporting Information:			

This program evaluation was completed on _____ by _____