



Kansas City Financial Center

Customer Advisory Board

**OFAC Screening
July 2012**





OFAC Screening

- The Office of Foreign Asset Control (OFAC) administers the sanctions and embargo programs on the Specially Designated Nationals (SDN) list of “blocked parties”
 - Countries
 - Individuals
 - Companies





ITS.gov's Role

- Ensures compliance with OFAC regulations for all international payments issued by Treasury
- All payments will be scanned real-time on an intra-day basis against three publicized OFAC lists
 - OFAC Specially Designated Nationals (SDN)
 - Non-SDN
 - Sanctioned countries list





ITS.gov's Role

- OFAC investigations for individuals deemed false positives are added to the ITS White List
 - False Positive – An individual identified in the payment whose name may match an entry on one of the OFAC lists, but the accompanying personal data does not match
 - White List – A database of false-positive recipients and their uniquely identifiable information. ITS maintains this list to ensure straight through processing of future payments





ITS.gov's Role

- OFAC requires that ALL payment information be screened – not just the beneficiary name
- Payments can be stopped due to any information included in the payment matching an SDN list
 - Country reference
 - Country name
 - Contact information





Financial Management Service

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Recipient Information

Recipient ID:

Recipient Name:

Recipient Address:

Payment Information

Type of Payment:

Voucher Number:

Mode of Payment:

Clients/Commodities:

Recipient Country:

[Show Intermediary Bank Fields](#)

Value Date: (mm/dd/yyyy)

Payment Currency:

US Dollar Amount:

Foreign Amount:

[Show Point of Origin](#)

Pass Thru Bank Info:

Pass Thru Bank Info 2:

[Show Disbursing Account Data](#)

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Payment Details:



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Mode of Payment: Clients/Commodities:

Recipient Country:

[Show Intermediary Bank Fields](#)

Value Date: (mm/dd/yyyy)

Payment Currency:

US Dollar Amount:

Foreign Amount:

Show Point of Origin

Pass Thru Bank Info:

Pass Thru Bank Info 2:

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Payment Details:



ITS.gov's Role

- Investigations which are concluded to be true matches must be reported to OFAC and the monies will be blocked by the FRB
- Once funds are blocked, they cannot be released to the beneficiary or the agency without a specific license from Treasury





KFC's Role

- Will receive notification from the FRB Compliance staff of any OFAC matches which require additional recipient information
 - Date of Birth
 - Place of Birth
 - Complete Address
 - Passport Number





KFC's Role

- Contact the agency to request additional recipient information for specific payment

Good Morning,

Please be advised that the below payment was stopped by our service provider as a possible OFAC match. For purposes of this OFAC investigation, please provide the following additional recipient information:

- Recipient's Date of Birth is required for the following payment:

PAYMENT DETAILS:

Bene: John Doe
Schedule #: ABC123
Value Date 20 July 2011
Currency: USD
Amount: 500.00

Please provide this information as soon as possible. Once this information has been received we will continue to build our "white list" of "good" beneficiaries / vendors, and payments should now longer be stopped.

If you have any questions, please give us a call.

ITS.gov Staff
Kansas City Regional Financial Center
Financial Management Service
Department of the Treasury
816-414-2100
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KFC's Role

- Engage in continued follow ups with the agency until all necessary information is received
- Provide received additional information back to the FRB for clearing
- Alert agency to successful clearing of payment





Agency's Role

- Identify payments that meet IAT requirements
- Receive notification from KFC of any OFAC matches
- Obtain requested information and provide to KFC
- Engage in continued follow-ups with recipients until necessary information is obtained





OFAC Investigation Impact

- On Payment Value Data
 - No impact on value data if the OFAC investigation is concluded to be a false-positive prior to ITS' service provider transmission deadline
 - Investigations not concluded by the transmission deadline will cause a delay in the delivering of monies to the recipient until the investigation can be deemed a false-positive





OFAC Websites

- <http://www.fms.treas.gov/itsgov/index.html>
- http://www.treasury.gov/resource-center/faqs/Sanctions/Pages/ques_index.aspx





For More Information

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