Bank Demand Deposit and Time Deposit Sanction Screening Controls File Layout

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# Introduction

This document provides the details of the bank demand deposit and time deposit sanction screening controls file layout, which is used to perform the sanction screening process for the bank's members. The document explains the following aspects of the file layout:

* The file list and selection criteria for each file screened
* The source population completeness control to ensure the accuracy and completeness of the data
* The record extract business logic to extract the relevant fields and values from the source files
* The logic in Cobol programming language to perform the sanction screening logic and generate the output files
* The file frequency and retention policy to determine the schedule and duration of the file generation and storage

The document is intended for the bank's sanction screening team, IT team, and audit team, who are involved in the design, development, implementation, and review of the sanction screening controls file layout.

# File List and Selection Criteria

The bank's demand deposit and time deposit products include the following types of accounts and transactions:

* Checking accounts
* Savings accounts
* Certificates of deposit (CDs)
* Money market accounts

The bank's sanction screening process requires the following files to be screened for each product type:

* Customer master file: This file contains the customer information, such as name, address, date of birth, identification number, etc.
* Account master file: This file contains the account information, such as account number, account type, balance, status, etc.

The selection criteria for each file screened are based on the following factors:

* The product type: The file layout varies depending on the product type, such as checking, savings, CD, etc.
* The screening scope: The file layout includes only the fields and values that are relevant for the sanction screening process, such as name, address, identification number, account number, transaction amount, beneficiary, originator, etc.
* The screening frequency: The file layout reflects the frequency of the screening process, such as daily, weekly, monthly, etc.
* The screening threshold: The file layout applies the threshold for the screening process, such as minimum transaction amount, minimum account balance, etc.

The file list and selection criteria for each file screened are summarized in the following table:

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| Product Type | File Name | Selection Criteria | Screening Frequency | Screening Threshold |
| Checking | Customer Master File | All customers with checking accounts | Daily | N/A |
| Checking | Account Master File | All checking accounts | Daily | N/A |
| Checking | Transaction File | All transactions from checking accounts | Daily | $100 or more |
| Savings | Customer Master File | All customers with savings accounts | Weekly | N/A |
| Savings | Account Master File | All savings accounts | Weekly | N/A |
| Savings | Transaction File | All transactions from savings accounts | Weekly | $500 or more |
| CD | Customer Master File | All customers with CDs | Monthly | N/A |
| CD | Account Master File | All CDs | Monthly | N/A |
| CD | Transaction File | All transactions from CDs | Monthly | $1,000 or more |
| Money Market | Customer Master File | All customers with money market accounts | Weekly | N/A |
| Money Market | Account Master File | All money market accounts | Weekly | N/A |
| Money Market | Transaction File | All transactions from money market accounts | Weekly | $500 or more |
| Wire Transfer | Customer Master File | All customers who initiated or received wire transfers | Daily | N/A |
| Wire Transfer | Account Master File | All accounts involved in wire transfers | Daily | N/A |
| Wire Transfer | Transaction File | All wire transfers | Daily | $100 or more |
| ACH | Customer Master File | All customers who initiated or received ACH transactions | Daily | N/A |
| ACH | Account Master File | All accounts involved in ACH transactions | Daily | N/A |
| ACH | Transaction File | All ACH transactions | Daily | $100 or more |
| Check Clearing | Customer Master File | All customers who issued or received checks | Daily | N/A |
| Check Clearing | Account Master File | All accounts involved in check clearing | Daily | N/A |
| Check Clearing | Transaction File | All check clearing transactions | Daily | $100 or more |

# Source Population Completeness Control

The source population completeness control is a process to ensure that the data extracted from the source files are accurate and complete, and that no records are missing or duplicated. The source population completeness control involves the following steps:

* Identify the source files for each product type and file name, based on the file list and selection criteria
* Verify the file format, file size, file name, and file date of each source file, and compare them with the expected values
* Perform a record count of each source file, and compare it with the expected value
* Perform a checksum of each source file, and compare it with the expected value
* Perform a data quality check of each source file, and identify any errors, inconsistencies, or anomalies in the data
* Generate a source population completeness control report, which summarizes the results of the above steps, and highlights any issues or discrepancies
* Resolve any issues or discrepancies, and re-perform the source population completeness control until all the source files are validated

# Record Extract Business Logic

The record extract business logic is a process to extract the relevant fields and values from the source files, and generate the output files for the sanction screening process. The record extract business logic involves the following steps:

* Read each source file, and parse the data according to the file format and layout
* Apply the screening scope, frequency, and threshold to each source file, and filter out any records that are not relevant for the sanction screening process
* Extract the fields and values that are relevant for the sanction screening process, such as name, address, identification number, account number, transaction amount, beneficiary, originator, etc.
* Perform any data transformation, standardization, or enrichment, as required, to ensure the data quality and consistency of the output files
* Generate the output files for the sanction screening process, and include the following information in each output file:
* File header: This contains the file name, file date, file size, record count, and checksum
* File body: This contains the records with the extracted fields and values
* File trailer: This contains the end-of-file indicator

Perform a record count and checksum of each output file, and compare them with the expected values

Generate a record extract business logic report, which summarizes the results of the above steps, and highlights any issues or discrepancies

Resolve any issues or discrepancies, and re-perform the record extract business logic until all the output files are validated

# Logic in Cobol Programming Language

The logic in Cobol programming language is a process to perform the sanction screening logic and generate the output files for the sanction screening process. The logic in Cobol programming language involves the following steps:

* Define the input and output files, and the file formats and layouts, using the Cobol file description entries
* Define the variables, constants, and data structures, using the Cobol data division entries
* Define the logic, procedures, and functions, using the Cobol procedure division entries
* Open the input and output files, and perform the following operations for each input file:
* Read the file header, and verify the file name, file date, file size, record count, and checksum
* Read the file body, and perform the following operations for each record:
* Perform the sanction screening logic, which involves the following steps:
* Compare the extracted fields and values with the sanction lists, such as the Office of Foreign Assets Control (OFAC) list, the United Nations Security Council (UNSC) list, the European Union (EU) list, etc.
* Identify any matches or potential matches, based on the matching criteria, such as exact match, partial match, fuzzy match, etc.
* Assign a risk score and a risk category to each match or potential match, based on the risk assessment methodology, such as low, medium, high, etc.
* Generate an alert for each match or potential match, and include the following information in the alert:
* Alert ID: This is a unique identifier for the alert
* Alert Date: This is the date when the alert was generated
* Alert Status: This is the status of the alert, such as open, closed, escalated, etc.
* Alert Reason: This is the reason for the alert, such as name match, address match, identification number match, etc.
* Alert Source: This is the source of the alert, such as the input file name, the product type, the account number, the transaction amount, etc.
* Alert Target: This is the target of the alert, such as the sanction list name, the sanction list entry, the sanction list category, etc.
* Alert Risk Score: This is the risk score assigned to the alert, based on the risk assessment methodology
* Alert Risk Category: This is the risk category assigned to the alert, based on the risk assessment methodology

Write the alert to the output file, and include the file header, file body, and file trailer

Read the file trailer, and verify the end-of-file indicator

Close the input and output files, and perform a record count and checksum of each output file, and compare them with the expected values

Generate a logic in Cobol programming language report, which summarizes the results of the above steps, and highlights any issues or discrepancies

Resolve any issues or discrepancies, and re-perform the logic in Cobol programming language until all the output files are validated

# File Frequency and Retention Policy

The file frequency and retention policy is a process to determine the schedule and duration of the file generation and storage for the sanction screening process. The file frequency and retention policy involves the following steps:

* Determine the file frequency for each product type and file name, based on the screening frequency and the business requirements
* Determine the file retention policy for each product type and file name, based on the regulatory requirements and the audit requirements
* Implement the file frequency and retention policy, using the appropriate tools and techniques, such as scheduling software, backup software, archiving software, etc.
* Monitor and review the file frequency and retention policy, and ensure that the files are generated and stored according to the policy
* Generate a file frequency and retention policy report, which summarizes the results of the above steps, and highlights any issues or discrepancies
* Resolve any issues or discrepancies, and re-perform the file frequency and retention policy until all the files are compliant with the policy

# Conclusion

This document has described the bank demand deposit and time deposit sanction screening controls file layout, which is used to perform the sanction screening process for the bank's customers and transactions. The document has explained the following aspects of the file layout:

* The file list and selection criteria for each file screened
* The source population completeness control to ensure the accuracy and completeness of the data
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