



Outline of the DOJ “Evaluation of Corporate Compliance Programs” Guidance, April 30, 2019

- I. “Is the corporation’s compliance program well designed?”
  - A. Risk Assessment
    - 1. Risk Management Process
    - 2. Risk-Tailored Resource Allocation
    - 3. Updates and Revisions
  - B. Policies and Procedures
    - 1. Design
    - 2. Comprehensiveness
    - 3. Accessibility
    - 4. Responsibility for Operational Integration
    - 5. Gatekeepers
  - C. Training and Communications
    - 1. Risk-Based Training
    - 2. Form/Content/Effectiveness of Training
    - 3. Communications about Misconduct
    - 4. Availability of Guidance
  - D. Confidential Reporting Structure and Investigation Process
    - 1. Effectiveness of the Reporting Mechanism
    - 2. Properly Scoped Investigations by Qualified Personnel
    - 3. Investigation Response
    - 4. Resources and Tracking of Results
  - E. Third-Party Management
    - 1. Risk-Based and Integrated Process
    - 2. Appropriate Controls
    - 3. Management of Relationships
    - 4. Real Actions and Consequences



- F. Mergers and Acquisitions (M&A)
  - 1. Due Diligence Process
  - 2. Integration in the M&A Process
  - 3. Process Connecting Due Diligence to Implementation
  
- II. “Is the program being applied earnestly and in good faith?” In other words, is the program being implemented effectively?
  - A. Commitment by Senior and Middle Management
    - 1. Conduct at the Top
    - 2. Shared Commitment
    - 3. Oversight
  
  - B. Autonomy and Resources
    - 1. Structure
    - 2. Seniority and Stature
    - 3. Experience and Qualifications
    - 4. Funding and Resources
    - 5. Autonomy
    - 6. Outsourced Compliance Functions
  
  - C. Incentives and Disciplinary Measures
    - 1. Human Resources Process
    - 2. Consistent Application
    - 3. Incentive System
  
- III. “Does the corporation’s compliance program work” in practice?
  - A. Continuous Improvement, Periodic Testing and Review
    - 1. Internal Audit
    - 2. Control Testing
    - 3. Evolving Updates
    - 4. Culture of Compliance



- B. Investigations of Misconduct
  - 1. Properly Scoped Investigations by Qualified Personnel
  - 2. Response to Investigations
  
- C. Analysis and Remediation of Any Underlying Misconduct
  - 1. Root Cause Analysis
  - 2. Prior Weakness
  - 3. Payment Systems
  - 4. Vendor Management
  - 5. Prior Indications
  - 6. Remediation
  - 7. Accountability