

Broker Visit Vs. Broker Auditor

Moderator:

Lenny Feldman, Managing Partner, Operating Committee, Sandler, Travis & Rosenberg, P.A.

Panelists:

Shari McCann – CBP Director Commerce Operations
Revenue & entry

Adrian Silva – CBP Supervisory Entry Officer Long Beach/
Los Angeles

Sandy Coty- A.N Deringer, Director of Operation
Development



Broker Audit v. Broker Visit

Tom Jesukiewicz, Trade Regulatory Audit Field Director

Shari McCann, Director, CBP Commercial Operations, Revenue and Entry

Adrian Silva, CBP Supervisory Entry Specialist, Industrial and Manufacturing Materials Center of Excellence and Expertise








**U.S. Customs and
Border Protection**










Customs Broker Modernization Resources

CBP created several resources to provide brokers with additional information on the Customs broker modernization efforts, including the webpages and documents linked below.

	Modernized Customs Broker Regulations webpage	
	Modernized Broker Regulations FAQs	
	Customs Broker Guidance for the Trade Community	
	Responsible Supervision and Control Factsheet	
	BMO Contacts	

	Continuing Education Webpage & FAQs	
	Continuing Education Factsheet	
	Masking PII Quick Reference Card	
	Broker Reporting Quick Reference Card	
	National Permit Quick Reference Guide	



Broker Compliance Reviews

Broker compliance reviews are scheduled in coordination with the processing Center that has administrative oversight of the broker license and permit. CBP expects the permit qualifier and/or license qualifier to attend general and focused reviews.

General Broker Compliance Reviews:

Should be conducted at least once every 5 years

Conducted on a national scope by an Entry Officer

Conducted at the broker's office or through a virtual meeting platform such as MS Teams or WebEx

Includes a review of all aspects of 19 CFR 111 requirements conducted through questions and document reviews



Timing



Responsibility



Location



Content

Focused Issue Reviews:

May be conducted at any time

Conducted for a national or local issue(s) by CBP personnel

Conducted at a broker's office or a CBP office, however, on rare occasions may take place on a virtual meeting platform

Includes review of a concern identified with one or more areas of the broker's operation



Broker Audit Best Practices

CBP recommends the following best practices for broker audits:

- | | | | |
|---|---|---|--|
| 1 | Evidence of “real knowledge” of the importer/client and the broker/importer relationship | 4 | Responsible Supervision and Control (RS&C) is based on the entire operation – from POA contacts, financial obligations (billing/payment of monies owed to Government) and COMMUNICATION |
| 2 | Powers of Attorney (POA) - Clear/ documented brokerage effort showing that the importer is known <ul style="list-style-type: none">• Maintain/complete a checklist for validating POAs• Identify responsible personnel for reviewing POAs | 5 | For relevant corrective action with CBP, maintain copies of emails, faxes or a log of discussions with actual importer of record |
| 3 | Customize controls and procedures to specific circumstances of your brokerage operation (may need to be adjusted over time) | 6 | Obtain and maintain a valid waiver from the actual importer of record for non-delivered duty paid shipments if billing an unlicensed third party for entry services |

Regular Broker Compliance Review

Presenter: Sandy Coty

WIESCCON

2023





What to expect from a Regular Broker Compliance Review

- Timeline
- Entries / POA's - Generally 5
- Broker Compliance Data
 - Issuance of E/S Rejects
 - CBP Form 28/29/4647

- Review: Customs Broker Guidance for the Trade Community
- Customs Broker Frequently Asked Questions
- Copy
 - Brokers License
 - National Permit
 - Employee List
 - Employee POA
 - Triennial Fee Payment Receipt
 - Annual Permit Receipt



Customs Broker Guidance for the Trade Community

- RESPONSIBLE SUPERVISION AND CONTROL
 - 13 FACTORS RSC / SUPERVISION PLAN
- BROKER REPORTING REQUIREMENTS
 - EMPLOYEE REPORTING/CHANGE IN POC/QUALIFYING OFFICER/MEMBER/CHANGE IN OWNERSHIP/CHANGE OF ADDRESS ETC. / SEPARATION FROM A CLIENT / BREACH OF CUSTOMS BUSINESS RECORDS
- RECORDKEEPING RESPONSIBILITIES
 - PLACE/RETENTION/CONFIDENTIAL/MADE AVAILABLE
- BROKER COMPLIANCE REVIEWS AND BROKER VISITS
- POWERS OF ATTORNEY
- BROKER COMPLIANCE AND REGULATORY AUDIT



13 Factors RSC - Include, but are not limited to:

1. Training
2. Policies and Guidelines
3. Volume and Type of Business
4. CBP Reject Rate
5. Availability of Current CBP Regulations, HTS and CBP Issuances
6. Licensed Customs Broker Oversight
7. Frequency of Supervisory Visits
8. Audits

9. Involvement of the National Permit Holder
10. Involvement of Individually Licensed Brokers
11. Timeliness of Entry Filing and Payments
12. Communications between company and CBP
13. Internal Communications from Management Regarding Regulatory Matters with CBP



Required Broker Permit Reporting in Modernized ACE Portal

Recordkeeping and Customs Business POC

Office of Record and Location of Customs Documents

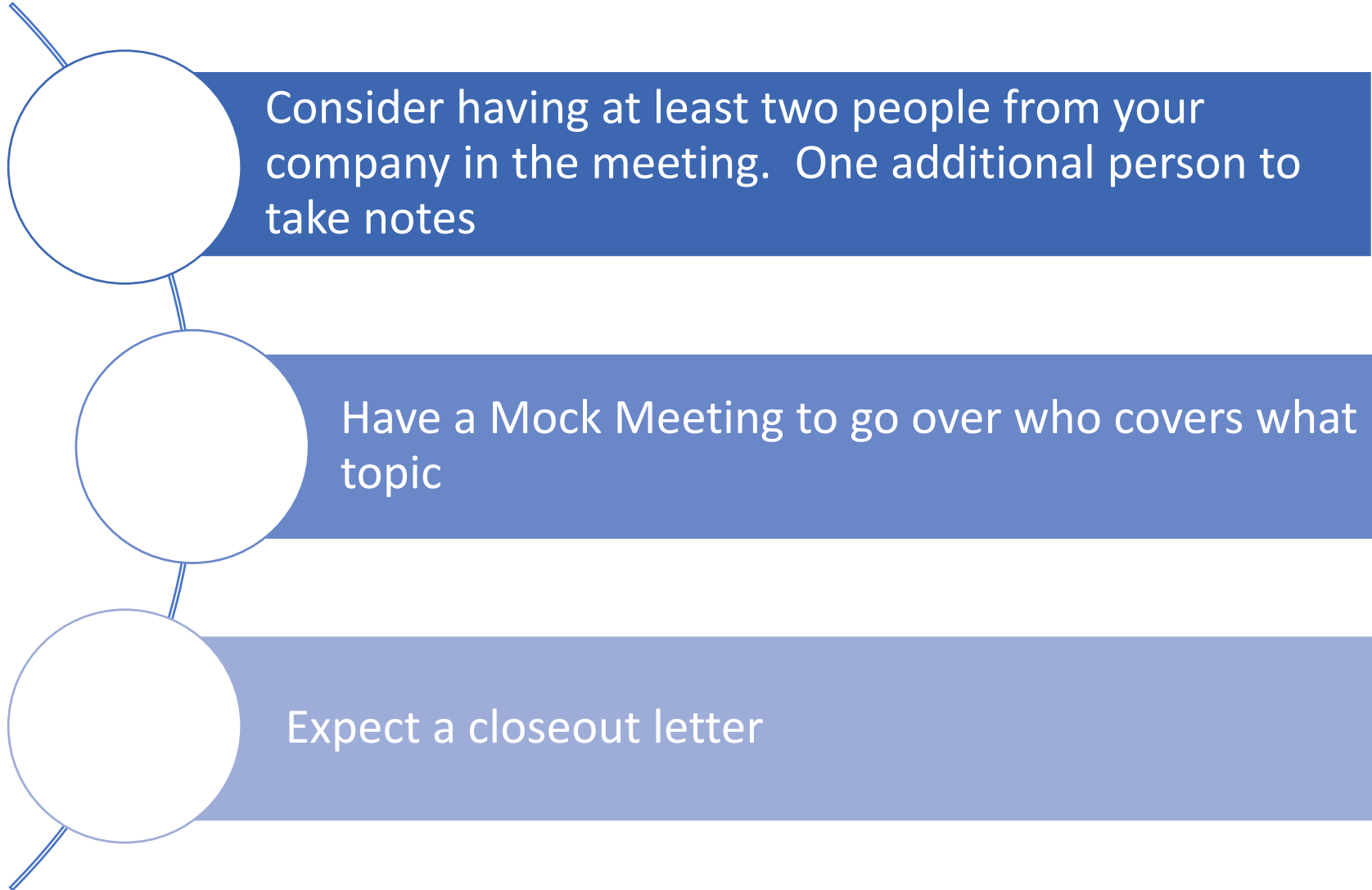
Add New/Change and Terminated Employee

Add Licensed Brokers

View Supervision Plan – Document Tab



Meeting





ACE Reports

Brokers with ACE Portal Reports access can run several entry summary and cargo release reports to capture the data provided in the obsolete Broker Evaluation and Analysis Report:

Entry Summary

- ES-004 Rejected and Cancelled Entry Summaries
- ES-005 Late Filed Entry Summaries
- ES-007 Warehouse Entry Summaries Without Final Withdrawal
- ES-008 TIB Expiration Notice
- ES-011 Unpaid Entries
- ES-012 Entry Summary Census Warning and Override
- ES-013 CBP Form 28, 29, 4647 Status Report
- ES-404 Protest Entry Details

Cargo Release

- CR-009 Cargo Release Entry Status

Revenue

- REV - 405 Trade Open Bills

ISF

- ISF Late Report



THANK YOU

