# AuditLink

A.J. SCHALK AVP AUDITLINK



# The Vision for Abnormal Activity Monitoring

#### WHAT DOES IT ACCOMPLISH?

- Satisfy auditor expectations
- ■BSA catches cash, abnormal activity monitoring captures ACH and other channels that might result in fraud
- Two paths: member groups and transaction patterns



## **Get Engaged**

### HAVE YOU REACHED OUT?

- ■It's a robust system
- Reduce the need for third party integrations
- Stay ahead of member complaints
  - Reach out to the member before they reach out to you
- Set it up yourself... or let us help you





# What is Stop-No-Go?

STOPPING FRAUD IN ITS TRACKS

Transaction STOP
Pattern

Transaction posts as normal

**Transaction excepts out for the CU to review** 



**AuditLink** 

# The Trail Ahead: Abnormal Activity Monitoring

Stop-No-Go Real Time Fraud Monitoring



**Update to "Out of the Ordinary" pattern to increase accuracy** 



### **A Note on Verafin**

#### WHAT TO CONSIDER

- Examiners are pushing Verafin
- Verafin is pushing sales hard
- It's expensive
- Native data vs. file transmission
- Underestimation of human resources needed



### Verafin's Expensive **Dotted Line**

As a cooperatively owned CUSO, CU\*Answers has long prided itself on building solutions for our customer-owners that meet their

Many credit unions take full advantage of those products available to them and all the services that their CUSO provides. But occasionally but to Verafin's reliance on file transfers for data, they will never be able to provide your credit union with a real time fraud management.

Enter Verafin, a third-party service provider that assists credit Enter veralin, a third-party service provider mat assists drom, unions with compliance related matters such as BSA and abnormal Meanwhile, CU\*Answers is pushing in the direction of real time.

veram. Typicany, time is occasise they understand now to times; time in the content and read pattern and create unions will make the boxes based off their platform. But for those within the CU\*Answers ability to configure for incoming ACH postings that will except out network, all those same boxes can be checked for a fraction of the any ACH that is above that threshold for manual review. price by engaging AuditLink on educating these examiners and

One of the biggest benefits of utilizing CU\*BASE to accomplish these compliance related tasks is the fact that you are using native more projects for processes such as shared draft and RDC posting in

This is important for multiple reasons. First and foremost, a file transfer of sensitive data always comes with a level of risk as member information is being passed from one party to the other. That also comes with other responsibilities such as validation from a third party and the addition of a critical vendor to your vendor management program. As if we don't have enough continued due diligen

On top of that, Verafin does not program for updates in our core specifically regarding origin codes. As CU\*Answers continues to innovate and add new options for our credit union members, such as RTP® and new ITM integrations, Verafin does not recognize these which can lead to your team spending time reviewing transactions

What this all boils down to is cost. Verafin will require a body to complete the work, and that body may be spending valuable time reviewing transactions that do not require review based on the lack of and will also take up valuable credit union time and resource

AuditLink provides a service to help credit unions on the core configure their abnormal activity patterns so they can focus on deed. These products and services were created out of a marketplace

Bank Secreey Act cash transaction, file maintenance, and employe what's important: their members. Auditlink also has a variety of theets. These produces aim services were created one of a many demand from our network of credit unions and developed in lock step account reviews, and many others at about a tenth of the cost of what

able to provide your credit union with a real time fraud management solution. As bad actors get more courageous and attack vectors change, this will be an important piece of any credit unions BSA/

activity monitoring.

You may have had an examiner recommend that you integrate with Verafin. Typically, this is because they understand how to check their twolves around a velocity pattern that credit unions will have the

For example, you could set the pattern to say, "If a member has 3 Before you sign a contract and fork out a large check, read further as we want the next ACH for that member to except out." This will or more ACH postings that total more than \$5,000 in a single day. penore you again a common amount of our a mage time s, read natures as to why Andrill ink, CU\*Answers' audit and compliance team, should give the credit union the opportunity to review the account, look for a compliance team, should give the credit union the opportunity to review the account, look for a compliance team. name mismatches, and determine if it should be returned or posted.

anning you are not relying on a file transfer of data to review the near future. So before you go and sign on Verafin's dotted line, check to see what's available from your core—you may just find your cooperative has everything you need and more.



