

Inside EasCorp



INSIDE

EasCorp Celebrates International Credit Union Day1

Complementary User Entity Controls – Wire Transfers.....2

Same Day ACH – It’s a Reality!.....2

E-mail Compromise Fraud.....3

Coin and Currency Orders for Columbus Day.....3

Credit Union Kids at Heart Annual Golf Tournament.....4

EasCorp’s 2017 ALM Academy.....5

DeposZip Program Reaches New All Time Highs5

RDC Helpful Tips and Tricks.....6

ICL Scorecard.....6

October Events.....6

Upcoming Events.....6

EasCorp Celebrates International Credit Union Day

EasCorp is pleased to announce that it will celebrate International Credit Union Day on Thursday, October 20, 2016 in two special ways. To acknowledge our industry’s global presence, EasCorp and its partner for international payments, Cambridge Global Payments, will waive their ordinary processing fees for outbound wire transfers to foreign countries for EasCorp member credit unions.



In addition to this special promotion, EasCorp will host two International Payments Service user meetings on ICU Day. An ‘in-person’ meeting will take place at the company’s corporate headquarters in Burlington, Mass. from 10:00 to 11:30 a.m., featuring Mark Hill, vice president, financial institutions of Cambridge Global Payments, EasCorp’s partner for international payments services, as well as international food treats. For those unable to attend in person, we will be hosting the same meeting via webcast in the afternoon from 2:00 p.m. to 3:30 p.m. ET. Regrettably, the webcast is BYOF.

Both meetings will feature a discussion on “complementary controls,” addressing important considerations for international payments such as system security and user authentication. As well, case study will identify ways that credit unions can use to minimize fraud. This will be followed by a discussion on beneficiary validations that need to occur based upon foreign destinations, and how the international payments network site (IPN) manages this process. We’ll close out the program with a discussion on post transaction queries and investigations.

You may register for both meetings online at www.eascorp.org by following the News & Events link. Please register no later than October 17. For more information about International Credit Union Day, please contact Darlene Howlett, vice president, technical support, at ext. 3353 (dhowlett@vertifi.com)

**IN OBSERVANCE OF
COLUMBUS DAY,
EASCORP AND VERTIFI
WILL BE CLOSED
MONDAY, OCTOBER 10, 2016**



Complementary User Entity Controls –Wire Transfers

This is the second in a series of articles regarding EasCorp and Vertifi's Statement on Standards for Attestation Engagements, No. 16 (SSAE No. 16), Complementary User Entity Controls. EasCorp and Vertifi's controls are a portion of the overall control environment for each user. Users also need to implement and maintain their own internal controls.

Member credit unions that use EasCorp's domestic and foreign wire transfer services should ensure that their listing of employees who are authorized to perform these transactions is accurate and up to date. Management should periodically, but no less than once a year, review the user listing, which is accessible for review by your EasCorp Local Security Administrator. In addition, Management should review each user's per wire and daily limit, and make changes as necessary.

Users should make certain that sufficient controls exist to ensure that all wire transfer instructions are authorized and in compliance with Federal and State Regulatory Requirements. This includes, but is not limited to monitoring transactions against the Office of Foreign Asset Control (OFAC) list.

Sufficient controls also should exist over physical and logical access to EasCorp-issued digital certificates, PINs and tokens, and ensure that these items are secured in a manner that authorized users use their corresponding authentication credentials exclusively.

Same Day ACH –It's a Reality!

Friday, September 23 was a monumental event in the ACH world as the introduction of faster ACH payments became a reality. Although it began incrementally with certain select payments in the vanguard, same day ACH activity is expected to rise quickly. NACHA cited research it conducted that indicates 95 percent of the nation's top financial institutions will originate same day ACH entries in 2016. Moreover, looking forward to September 2017 when debits also become eligible for same day processing, it is expected that same day activity will expand exponentially.

Operationally, beginning October 3 and in accordance with new NACHA rules, originating depository financial institutions (ODFIs) will begin paying receiving depository financial institutions (RDFIs) \$4.50 for every unauthorized entry they initiate. Unauthorized entries bear one of the following return reason codes:

- R05** – Unauthorized Debit to Consumer Account Using Corporate SEC Code
- R07** – Authorization Revoked by Customer
- R10** – Customer Advises Unauthorized, Improper, Ineligible, or Part of an Incomplete Transaction
- R29** – Corporate Customer Advises Not Authorized
- R51** – Item Related to RCK Entry is Ineligible or RCK Entry is Improper

These fees will be collected from ODFIs/paid to RDFIs on a monthly basis, through the ACH Operator's established monthly billing routine.



E-mail Compromise Fraud

The Financial Crimes Enforcement Network (FinCEN) recently issued an advisory (i.e., [FIN-2016-A003](#), “[Advisory to Financial Institutions on E-Mail Compromise Fraud Schemes](#)”) to financial institutions (FI) to help guard against the growing trend of cyber-enabled crime in which criminals misappropriate funds by deceiving FIs and their customers into conducting wire transfers.

This advisory provides red flags—developed in consultation with the Federal Bureau of Investigation (FBI) and the U.S. Secret Service (USSS)—that FIs may use to identify and prevent e-mail compromise fraud schemes. In these schemes, criminals compromise the e-mail accounts of victims to send fraudulent wire transfer instructions to FIs in order to misappropriate funds. E-mail compromise fraud schemes include:

Business E-mail Compromise (BEC): When a **business** is the scheme victim and its business email is compromised; and

E-mail Account Compromise (EAC): When an **individual** is the scheme victim and his/her personal email account is compromised.



Since 2013, there have been approximately 22,000 reported cases of BEC and EAC fraud involving \$3.1 billion. FIs can play an important role in identifying, preventing, and reporting fraud schemes by promoting greater communication and collaboration among their internal business and fraud prevention units; cybersecurity and risk departments; and BSA/AML management units.

We urge you to visit the FinCEN website at www.fincen.gov to review this important [advisory](#).

Coin and Currency Orders for Columbus Day

In observance of Columbus Day, all Federal Reserve offices will be closed on Monday, October 10, 2016. As a reminder, cash orders prepared by the Federal Reserve Bank must be placed two business days in advance of delivery (e.g., orders must be placed by 11:30 a.m. ET on a Monday for Wednesday delivery). Due to the holiday, you may need to place your cash order a day earlier than normal (e.g., the same order referenced above should be placed on a Friday for Wednesday delivery).

If you have any questions regarding your cash orders, please contact Marge DeFerrari, assistant vice president, technical support, at 800.428.1144, ext. 3355 (mdeferrari@vertifi.com) or Jillian Martin ext. 3521 (jmartin@vertifi.com), or our technical support department at extension 2 (support@vertifi.com).

Credit Union Kids at Heart Annual Golf Tournament

The Credit Unions Kids at Heart (CU K@H) Team celebrated its 2016 accomplishments on September 19 with a hugely successful golf tournament under cloudy and drizzly skies at the beautiful Tedesco Country Club in Marblehead, Massachusetts. At the awards ceremony following golf, Team leader and EasCorp president, Jane Melchionda, thanked K@H participating credit unions and corporate sponsors for helping to raise more than \$400,000 this year for funding neurological research at Boston Children's Hospital.

A foursome from Granite State Credit Union took top honors during the golf competition, and there were numerous individual contest awards that were presented as well.

Despite inclement weather conditions, the helicopter ball drop morphed into a 'cherry picker' ball drop, and we are very happy to announce that not one, but two balls landed in the hole! The winning golf balls numbers belonged to Tim Burch, a CU K@H Marathon runner from EECU in Fort Worth, TX and Larry Fickett of Saco Valley Credit Union, Saco, Maine. Congratulations to our winners who split the \$5000 cash prize.



Jordan Loftus, sister of patient partner Maddy Loftus, with the two winning golf balls.

CREDIT
UNIONS
KIDS @ ❤️



500 golf balls were dropped from a cherry picker on the practice green at the Tedesco Country Club on Monday, September 19th.

EasCorp's 2017 ALM Academy

Save the date for EasCorp's 2017 ALM Academy, March 27-29, at the Babson Executive Conference Center in Wellesley, Massachusetts. The ALM Academy offers students three-tracks of education: (a) Introduction to Asset-Liability Management, (b) Advanced Asset Liability Management, and (c) Finance for Non-Financial Credit Union Executives. During two days of interesting and engaging courses, taught by industry practitioners and professional educators, classes will converge for joint sessions on risk-based capital, IRR exam prep, and a presentation from the NCUA. Lessons learned in the classroom are applied directly to staff responsibilities for helping to improve their credit union's financial management decision-making activities.

Introduction to Asset Liability Management Track is designed for CEOs, CFOs, ALM committee members, financial management staff, and other staff involved in actively managing the balance sheet. Topics include an introduction to interest rate risk, common tools for measuring and monitoring risk, and building blocks for developing sound risk management policies and practices.

Advanced Asset Liability Management Track is suited for financial analysts and those directly responsible for managing and monitoring the credit union's rate risk exposure. Topics include an in depth review of model assumptions, liquidity risk management, investment analysis, loan participations, and CECL considerations.

Finance for Non-Financial Credit Union Executives Track is a program designed for non-financial executives and managers, as well as elected leaders, the latter of whom must maintain a satisfactory level of financial literacy consistent with their credit union's level of complexity.

Registration will open soon and EasCorp will notify you simultaneously. Act early to receive a \$50 discount; tuition is just \$845 per student if you register by January 31, 2017. In the meantime, if you have any questions, please contact Sara Gouthro, assistant vice president, asset liability management at ext. 3335 (sgouthro@eascorp.org).

DeposZip Program Reaches New All Time Highs



Vertifi's DeposZip Program for remote deposit capture set new high-water marks during August 2016 when more than \$1.015 billion in deposits were processed for user financial institutions in a single month. Nearly 2 million checks were transacted through the combination of desktop and mobile devices, representing an average of \$512 per check, as well as continuous exponential growth in both transactions and dollar volumes.

Several hundred financial institutions rely on Vertifi's patented remote deposit technology and best-in-class administrative systems to enable quick, efficient, and secure deposits from anywhere in the world.



Remote DeposZip Capture Helpful Tips and Tricks

Marketing Opportunities

Consider the Marketing Opportunities Hidden in Your Users Report

The report can identify lots of important facts: Who are your frequent depositors? Who are your high value depositors? Who signed up for service, but does not actively use it? These metrics will reveal important details about your end users' habits.

Image Cash Letter (ICL) Scorecard

We are pleased to report on the progress of Vertifi's ICL program.

Branch Capture

- 121 credit unions are currently participating
- 531 Branch Capture licenses distributed
- Collecting more than \$1.9 billion in deposits every month

DeposZip® Remote Deposit Capture

- 189 credit unions
- Representing 35 states and Guam
- Collected more than \$31.4 billion in deposits



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DEPARTMENTS

Support Center	
Adjustments	
Returns/Item Processing Center	3543
Lending Services/Investments	3325
Business Development	3303

EXTENSION

2
6
3543
3325
3303

STATEMENT RENDERING FACILITY

6D Gill Street
Woburn, MA 01801
781.932.8935
781.932.8931
781.932.8932
781.932.8934 (fax)

October Events

International Payments Users In-Person Meeting

October 20, 2016
10:00 a.m.—11:30 a.m.
EasCorp, Burlington, Mass.

International Payments Users Webinar

October 20, 2016
2:00 p.m.—3:30 p.m.

Upcoming Events

Association of Credit Union Senior Officers Meeting

November 10, 2016
MHA Conference Center, Burlington, Mass.

Credit Unions Kids at Heart Holiday Party

December 3, 2016
Brae Burn Country Club, Newton, Mass.

ALM & Investment Academy

March 27-29, 2017
Babson Executive Conference Center
Wellesley, Mass.

EasCorp 39th Annual Meeting and Partnership Conference

May 4, 2017
Café Escadrille, Burlington, Mass.

Credit Unions Kids at Heart Annual Invitational Golf Tournament

September 18, 2017
Tedesco Country Club, Marblehead, Mass



Your savings federally insured to at least \$250,000.



National Credit Union Administration,
a U.S. Government Agency