

Abnormal Activity Monitoring

Presented by **AuditLink**

NCUA Expectations

- In 2012, it was required that Federally Insured credit unions offering electronic services adopt appropriate strategies to enhance controls.
- Expectations were outlined in the FFIEC [Supplement](#)

Determine What is Normal

- Tool numbers 774 & 775

Member Sampling - Checking Activity

Month/year Sep 2017 Filter All Individual Organization
Branch ID All Branches

Analysis Method
Go! Savings Balance
Go! Teller Transactions
Go! ATM Transactions
Go! Voice Response
Go! Checking Transactions
Go! NSF Transactions
Go! Internet Banking
Go! ACH Transactions
Go! Profit/Loss
Go! Member Costs
Go! Service Income
Go! Loan Balance
Go! Call Assisted

These tools will give you an idea of what your membership volume is like.

Member Analysis - Transaction Activity

Month/year Sep 2017 Filter All Individual Organization
Branch ID All Branches

Analysis Method
Go! Teller Processing
Go! Loan Department Processing
Go! Share Draft Processing
Go! ATM/Debit (PIN) Processing
Go! Online Banking/Audio Response
Go! Online Credit Card Processing
Go! Debit (Signature) Processing
Go! ACH Processing
Go! Phone Operator Processing
Go! Bill Payment Processing-Batch
Go! Certificate Processing
Go! Direct Mail Posting
Go! Member Adjustment Processing
Go! Member Transfers
Go! Payroll Processing
Go! Wire Transfer Processing
Go! Stop Payment Fee Processing
Go! Automatic System Processing

Selecting your Origin Groups

Configure Abnormal Activity Monitoring Settings

Member group **01**
 Description **INDIVIDUAL**
 Used for monitoring membership designation(s) **Select** 1 selected

Origins	Origin Codes	Risk Level	Transaction Count		Combined Transaction Amount
			From	To	

■ Edit ■ Delete ■ View

Add Origin Group



Settings are based on a date range of one m

Session 2 CU*BASE GOLD - Origin Code Selection

Jump to description starting with
 Jump to code starting with
 Search for description containing

Code	Description	Code	Description
01	TELLER PROCESSING	16	DEBIT CARD PROCESSING
02	SHARE DRAFT FROM BANK PROCESS	20	CU*EASYPAY! PROCESSING
03	LOAN DEPARTMENT PROCESSING	22	CREDIT CARD PROCESSING
04	DIRECT POSTING PROCESSING	96	AUDIO RESPONSE PROCESSING
05	PAYROLL DEDUCTION PROCESSING	99	AUTOMATIC SYSTEM PROCESSING
07	JOURNAL ACCT TRANSFER PROCESS		
08	ERROR CORRECTION PROCESSING		
09	WIRE TRANSFER PROCESSING		
10	CERTIFICATE PROCESSING		
11	ACH NETWORK PROCESSING		
13	ATM NETWORK PROCESSING		
14	STOP PAY FEE PROCESSING		
15	PHONE OPERATOR TRANS		

■ Select

■ Select



Set your Levels

- Remember the high risk totals we looked at earlier?

Session 2 CU*BASE GOLD Edition - Activity Monitoring Settings by Origin Group

Member group 01 INDIVIDUAL
Origin group description ACH Transaction origin codes **Select** 1 selected

Level	Transaction Counts		Combined Transaction Amount	
	From	To	From	To
NORMAL	0	35	0	15,000
ABNORMAL	0	50	0	20,000
HIGH RISK	0	9,999,999	0	999,999,999

Navigation icons: ← → ↑ || 🖨️ 🔗 i ? @

Don't Forget to Save!

- You can create as many Origin Groups as you want.

File Edit Tools Help

Configure Abnormal Activity Monitoring Settings

Member group 01
Description INDIVIDUAL
Used for monitoring membership designation(s) **Select** 1 selected

Origins	Origin Codes	Risk Level	Transaction Count		Combined Transaction Amount	
			From	To	From	To
ACH	1 selected	NORMAL	0	35	0	15,000
		ABNORMAL	36	50	15,001	20,000
		HIGH RISK	51	9,999,999	20,001	999,999,999
WIRES	1 selected	NORMAL	0	5	0	10,000
		ABNORMAL	6	10	10,001	20,000
		HIGH RISK	11	9,999,999	20,001	999,999,999

■ Edit ■ Delete ■ View ↑ ↓

Save/Update
Add Origin Group

i Settings are based on a date range of one month of activity.

How to Run the Report

Monitor Abnormal Activity

Member group to monitor: INDIVIDUAL

Monitor transactions from: Monitoring settings are based on a date range of 1 month of activity

Flag if member age is below or above Include all activity for members with Due Diligence flag

DD	Account	Member Name	Age *	Origin	# Trans	Trans Dollars	Trans Dollars	Risk Level	Last AT Tkr	By
0			70	AUDIO RE	4	12,000	3,000	ABNORMAL	OP 10/07/17	99
0			61	ATM NETW	35	3,040	86	ABNORMAL	OP 10/07/17	99
0			67	ATM NETW	26	864	33	ABNORMAL	OP 10/07/17	99
0			76	ATM NETW	21	1,679	79	ABNORMAL	OP 10/07/17	99
0			69	ATM NETW	28	2,832	101	ABNORMAL	OP 10/07/17	99
0			65	ATM NETW	35	1,109	31	ABNORMAL	OP 10/07/17	99
0			68	ATM NETW	26	1,787	68	ABNORMAL	OP 10/07/17	99
0			69	ATM NETW	26	1,256	48	ABNORMAL	OP 10/07/17	99
0			72	ATM NETW	31	1,983	63	ABNORMAL	OP 10/07/17	99
0			57	AUDIO RE	6	15,000	2,500	ABNORMAL	OP 10/07/17	99
0			66	ATM NETW	51	1,437	28	HIGH RISK	OP 10/07/17	99
0			65	ATM NETW	29	1,863	64	ABNORMAL	OP 10/07/17	99
0			58	ACH NETW	16	15,465	966	ABNORMAL	OP 10/07/17	99
0				ATM NETW	34	1,258	37	ABNORMAL		
0			61	ATM NETW	34	1,449	42	ABNORMAL	OP 10/07/17	99
0			72	ATM NETW	28	1,523	54	ABNORMAL	OP 10/07/17	99

Inquiry
 Tracker Review
 Activity Analysis

↑ ↓

[Export](#)
[Member Connect](#)
[Print Report](#)
[View Configuration](#)
[Refresh List](#)

Total # records	352
Total # abnormal	286
Total # high risk	66

- Tool #537 Monitor Abnormal Transaction Activity

The Columns are Sortable

- Click on the title line to sort by column

Monitor Abnormal Activity

Member group to monitor: INDIVIDUAL

Monitor transactions from:

Flag if member age is below or above

Monitoring settings are based on a date range of 1 month of activity

Include all activity for members with Due Diligence flag

DD	Account	Member Name	Age *	Origin	# Trans	Trans Dollars	Trans Dollars	Risk Level	Last AT Tkr	By
0			53	DEBIT CA	227	6,907	30	HIGH RISK	OP 10/07/17	99
0			48	ACH NETW	193	3,329	17	HIGH RISK	OP 10/07/17	99
0			31	ATM NETW	167	2,383	14	HIGH RISK	OP 10/07/17	99
0			31	DEBIT CA	162	4,810	29	HIGH RISK	OP 10/07/17	99
0			36	DEBIT CA	160	3,335	20	HIGH RISK	OP 10/07/17	99
0			38	DEBIT CA	144	4,602	31	ABNORMAL	OP 10/07/17	99
0			31	DEBIT CA	142	2,876	20	ABNORMAL	OP 10/07/17	99
0			43	DEBIT CA	140	9,316	66	HIGH RISK	OP 10/07/17	99
0			26	DEBIT CA	140	2,671	19	ABNORMAL	OP 10/07/17	99
0			44	DEBIT CA	136	3,746	27	ABNORMAL	OP 10/07/17	99
0			46	DEBIT CA	127	2,536	19	ABNORMAL	OP 10/07/17	99
0			28	DEBIT CA	123	715	5	ABNORMAL	OP 10/07/17	99
0			44	DEBIT CA	121	4,601	38	ABNORMAL	OP 10/07/17	99
0			43	DEBIT CA	115	3,338	29	ABNORMAL	OP 10/07/17	99
0			24	DEBIT CA	113	3,067	27	ABNORMAL	OP 10/07/17	99
0			26	DEBIT CA	109	2,183	20	ABNORMAL	OP 10/07/17	99

Inquiry Tracker Review Activity Analysis

Export
Member Connect
Print Report
View Configuration
Refresh List

Total # records	352
Total # abnormal	286
Total # high risk	66

Also sort by Due Diligence Codes

Monitor Abnormal Activity

Member group to monitor: INDIVIDUAL

Monitor transactions from:

Include if member age is below or above

Monitoring settings are based on a date range of 1 month of activity

Include all activity for members with Due Diligence flag

DD	Account	Member Name	Age *	Origin	# Trans	Trans Dollars	Trans Dollars	Risk Level	Last AT Tkr	By
0			70	AUDIO RE	4	12,000	3,000	ABNORMAL	OP 10/07/17	99
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Due Diligence Code?

- Bank Secrecy Act requires credit union's to adopt and implement a comprehensive Customer (member) Due Diligence program
- These processes assist the CU in determining when transactions are potentially suspicious
 - Should include enhanced CDD for higher-risk members and ongoing due diligence of the member base.

Customer Due Diligence - Overview

https://www.ffiec.gov/bsa_aml_infobase/pages_manual/olm_013.htm

Due Diligence Code? (Continued)

- CU*BASE GOLD has nine fields for you to configure based on your Customer Due Diligence program
- Tool # 247

Session 1 CU*BASE GOLD Edition - Due Diligence Code Maintenance

DD Code	Description
0	DUE DILIGENCE CODE 0
1	DUE DILIGENCE CODE 1
2	DUE DILIGENCE CODE 2
3	DUE DILIGENCE CODE 3
4	DUE DILIGENCE CODE 4
5	DUE DILIGENCE CODE 5
6	DUE DILIGENCE CODE 6
7	DUE DILIGENCE CODE 7
8	DUE DILIGENCE CODE 8
9	DUE DILIGENCE CODE 9

Update

Examples of Due Diligence Code Configs

DD Code	Description
0	DUE DILIGENCE CODE 0
1	LOW RISK
2	MEDIUM RISK
3	HIGH RISK
4	OCCUPATIONAL
5	RESIDENT NON-ALIEN
6	MONEY SERVICE BUSINESS
7	MARIJUANA RELATED BUSINESS
8	PEPS - POLITICAL EXPOSED
9	FRAUD

How to Code a Member

- Tool #15 Update Membership

File Edit Tools Help

Update Membership Individual

Name **JANE A MEMBER** Scan e-Document
Opened **May 16, 2008**
Branch # **01 ST. JOE OFFICE** Account # 231
SSN 123-54-8210
 Photo ID on file

Other Information

Reason code	<input type="text" value="02"/>	Electronic deposit hold group	<input type="text" value="04"/>
User defined fields	<input type="text" value="1"/> <input type="text" value="0"/>	Tran source ID	<input type="text"/>
Statement group	<input type="text" value="0"/>	Due diligence monitoring level	<input type="text" value="1"/> (0 - 9)
Account exec	<input type="text" value="BR"/>	<input type="checkbox"/> Allow shared branch transactions	
Employee type	<input type="text" value="1"/>	<input type="checkbox"/> Proxy ballots	
Employee #	<input type="text"/>	<input checked="" type="checkbox"/> Dividend withholding	
Department/sponsor #	<input type="text"/>	<input checked="" type="checkbox"/> Exclude from dormancy	
Check hold status	<input type="text" value="1"/>	<input type="checkbox"/> Force monthly statement (Reg E override)	
Certification of SSN	<input type="text" value="C"/>	<input checked="" type="checkbox"/> 3rd-party opt out	<input checked="" type="checkbox"/> CU contact opt out
Reference	<input type="text"/>	<input type="checkbox"/> Exempt from CTR	
Preferred contact method	<input type="text" value="HP"/> Home Phone		

Mother's maiden name Code word Marital status

Email address Email address is wrong

Overdraft Service for ATM & Everyday Debit Card Transactions

Opt in/out: IN = Member wants the CU to authorize & pay overdrafts on ATM & everyday debit card transactions
 OUT = Member does NOT want the CU to authorize & pay overdrafts on ATM & everyday debit card transactions

Verified **Aug 04, 2016** By **-5 NADINE THOMAS**

Skip Alternate Address Greeting Reg E Settings

Reports

- Due Diligence column in the Abnormal Activity Monitoring
- Tool #402 Insider Audit/Due Diligence Report

- Five different reports available

Report Options	Response
Month/year to process	Oct 2017 [MMYY]
Report for period	From [MMDDYYYY]
	To [MMDDYYYY]
Reports to print:	
<input checked="" type="checkbox"/> Teller audit key review	
Flag transactions greater than or equal to	[] (whole \$) Optional
<input checked="" type="checkbox"/> Transaction activity review	
<input checked="" type="checkbox"/> Account status review	
<input checked="" type="checkbox"/> File maintenance review	
<input checked="" type="checkbox"/> Account access/security audit	
<input type="checkbox"/> List only if access not granted	
Data type	Members with DD flag
Include due diligence monitoring level	2 (1 - 9; blank = all) Optional

Don't Have a CDD Program Yet?

- Start with configuring your Due Diligence Codes and go from there

Thoughts:

- How often are you going to review these accounts?
- How do you determine if you are going to raise or lower a risk level?
- Create a tracker specifically for reviews so you can pull reports for auditors

Creating a New Memo Type Tracker

Memo Type Definition

Select tracker type

Memo Type	Tracker Type	Memo Type Description
AC	AT	Address Change
AD	AT	ACH DEP MAINT
AM	AT	Attempt Made
BD	AT	Bank Sec Delete
BS	AT	Bank Secrecy
BV	AT	Bank Sec Verifi
CC	AT	due date change
CD	AT	CTR Skip/delete
CF	AT	CTR FORM
CL	AT	CTR Submit/lock
CP	AT	Cass Passed
CT	AT	CTR form
CX	AT	Cass Problem
DD	AT	Dormancy Delete
DS	AT	Dormancy Susp
EI	AT	Invalid E-mail
FI	AT	FIDM
ID	AT	ID Scan Passed

Change Delete Display

Add

Sort Tracker Type

- Tool #260 Configure Memo Type codes for Trackers

Tracker type

Memo type Memo type description

Used for links to external documents Used for permanent underwriting comments

Used to monitor loan account daily for specific transaction activity (e.g., promise to pay)

Memo type for note when transaction occurs

Memo type for note when transaction does not occur

Printing Tracker Reports

Tool #664 Print Member Trackers

Report Options	Response
Member account base range:	
From	<input type="text"/> (blank for all) Optional
To	<input type="text"/> (blank for all) Optional
Conversation date range:	
From	<input type="text" value="Jan 01, 2017"/> [MMDDYYYY] (blank for all) Optional
To	<input type="text" value="Oct 01, 2017"/> [MMDDYYYY] (blank for all) Optional
Tracker type	<input type="text" value="AT"/> AUDIT TRACKER (blank for all) Optional
Memo type	<input type="text" value="HR"/> high risk rev (blank for all) Optional
Type of Employee to select below	<input type="radio"/> Tracker created by <input checked="" type="radio"/> Conversation created by
Employee IDs	<input type="text"/> (blank for all) Optional
Employee IDs	<input type="text"/> (blank for all) Optional
Employee IDs	<input type="text"/> (blank for all) Optional
Employee IDs	<input type="text"/> (blank for all) Optional
Employee IDs	<input type="text"/> (blank for all) Optional
Tracker selection	<input type="radio"/> Open trackers <input type="radio"/> Closed trackers <input checked="" type="radio"/> Both
<input type="checkbox"/> Print summary page only	
<input checked="" type="checkbox"/> Print conversation detail	

References and Contacts

- www.ffiec.gov/bsa_aml_infobase
- www.MSB.gov
- <https://www.fincen.gov/resources/statutes-regulations/guidance/bsa-expectations-regarding-marijuana-related-businesses>

Marsha.sapino@cuanswers.com

Jvilker@cuanswers.com

www.auditlinksuite.com

Questions?

