CREDIT UNION tech-talk
LEADER'S FORUM
SPECIAL ROUNDTABLE SECTION
TECHNOLOGY NEWS FOR CREDIT UNIONS SINCE 1988
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Securing the Credit Union from the Inside to the Outside

The insider threat is alive and well these days, thanks in large part to the struggling economy. More and more families are desperate for cash and the temptation is there for employees with access to sensitive data. The vast majority of credit union employees are honest which engenders a trustful family-like atmosphere, yet credit unions must still be diligent in locking down access to critical data. If the don't, they are leaving themselves open to financial losses, public embarrassment and reputational damage. There needs to be a balance – you must be vigilant in protecting from outside losses, while simultaneously carefully monitoring insider threats.

Certainly PCI rules and regulations have helped both credit unions and merchants ensure that they have adequate policies in place to protect card data. While the merchants are getting somewhat more diligent in their back office security, we have seen an uptick in skimming and point of sale card fraud. Meanwhile data attacks at the issuer level also seem to be leveling off, but back office threats continue to require attention. All too often we see good policies and procedures in place, but a lack of ongoing policy enforcement and adequate audit trails.

At PSCU Financial Services, we recommend that our hundreds of credit union member-owners review their policies and enforcement actions quarterly, not annually. Important questions to ask are: Who has access to what financial data? Why is this financial data being accessed? Do individual employees truly need access to this data? Does this access fit with their job title, roles and responsibilities? All too often we see people change responsibilities within the credit union while their access to data never gets updated. It is important to remember that staff members who check sensitive data outside of their job function should always raise red flags.

Senior management at the credit union should never hide the fact that they are continually monitoring who has access to member data and that they are performing spot checks. When your credit union promotes the fact that you are watchful and will take immediate action if polices are violated, you have set a good example and established a strong deterrent. There is no need to be heavy handed, it is that you must provide ongoing security training, strive to remove temptation, and follow through on your policies.

When it comes to minimizing credit and debit card fraud, we treat our clients' money like our own – we take it personally. You would be hard pressed to find a team as dedicated and experienced as our fraud prevention division. We combine sophisticated software and neural networks with the deep knowledge of our highly trained and experienced staff to work in tandem to reduce card fraud. One of our biggest goals is to stop fraud with as little impact on the credit union and its members as possible; in fact, we pride ourselves on having a very low fraud to sales ratio and false positive rate. When you partner with PSCU Financial Services, you are getting a creative partner that constantly adjusts our strategy in order to successful battle the ever-evolving world of card fraud.

David DeLawter
Director of Risk Management

PSCU FINANCIAL SERVICES

David DeLawter is PSCU Financial Services Director of Risk Management and is responsible for the cardholder risk management operations that work to protect more than 14 million credit and debit cardholders. He is charged with managing the day-to-day operations that includes both front-end and back-end initiatives to minimize fraud, in-bound and out-bound calling and case management chargebacks. In his role of Director of Risk Management, Dave is tasked with developing the strategic direction of cardholder risk management for the company. Dave joined PSCU Financial Services after a 14 year career at First Data Corporation where he held roles in client relations, product development and fraud and risk management. He is a graduate of Iowa State University.

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