

Case Study

Tropical Financial Credit Union

Headquarters.....Pembroke Pines, FL
Assets.....\$939M
Core System.....Fiserv Spectrum

Bringing it all together.

Tropical FCU uses Verafin to solve the frustration of disconnected and inefficient manual compliance processes.

Business Challenge

Money launderers are getting smarter. They are constantly finding new ways to avoid detection and it is nearly impossible for financial institutions to uncover everything by digging through pages and pages of transaction reports. The limitations of these reports include:

- An inability to highlight trends. A limited focus ignores wider patterns of activity taking place over longer periods of time and affecting multiple departments.
- A failure to provide the information required for quick and easy resolution of suspicious activity. This leads to inefficiency. Time that could be spent investigating alerts is spent gathering and digging for information.

Relying on manual BSA/AML compliance processes, Tropical Financial Credit Union, with over \$800 million in assets and 14 walk-in branches in southern Florida, was faced with an overwhelming task.

“We had nothing to help us bring everything together,” says Larry Davis, Compliance Officer at Tropical FCU, describing the credit union’s former regulatory compliance program. “We had to go to different sources and reports to pool all the information together. Something may have been suspicious but it was hard to see. Everything was manual and pieced together.”

State examiners recognized that the challenges of using a labor-intensive compliance process were becoming insurmountable. They strongly recommended Larry and his team look for an automated solution.

Solution.

Larry conducted a long due diligence process before deciding on the right automated solution for Tropical FCU. After viewing numerous vendor demos, he saw Verafin. “We saw a demo and it knocked my socks off. It was everything we wanted and was very user friendly when compared to all the others we looked at.”

“ When your compliance processes are manual you can't look at everything you need to. Verafin has enabled us to look at more and be more efficient at it.

Larry Davis, Compliance Officer

”

Most other automated solutions look for suspicious activity using simplistic 'yes or no' triggers (sometimes called 'rules'). The problem with this limited approach is that a criminal's activity is rarely simple or straightforward—it is complex. What sets Verafin apart is its ability to imitate human reasoning. It analyzes an account holder's behavior to highlight activity that is truly out of the ordinary. Alerts are rated by risk and contain clearly presented evidence explaining why they were generated. An account holder's transaction history, alert history, report history, associations, and profile are instantly available, removing the need to spend time searching for information.

Verafin also consolidates the various components of financial regulatory compliance automation to offer a centralized solution. There are no separate modules. Fraud and AML (FRAML) detection, suspicious activity reporting, currency transaction reporting, watch list scanning, risk management, and more work together to offer a comprehensive picture of an institution.

What sold Larry and his team on Verafin was how the solution met all of their BSA/AML compliance needs. "Most of the others were selling in modules, and Verafin is an all-in-one package. I really wanted something that would be an 'all around' solution. I wanted everyone in the company to be able to dip in and work within the product; an all encompassing solution. Verafin offered that."

“

It has made us much more efficient at what we do.

”

Result

Asked to describe how Verafin has helped Tropical FCU, Larry responded, "It has made us much more efficient at what we do. We save a lot of time with individual processes, and our time is being put to better use. We are finding more with the time we have."

Verafin has elevated Tropical FCU's BSA/AML compliance processes:

- **Currency transaction reporting:** "What took us the most time were the corrections we had to make to the reports. Missing information once they came over from the branches. Then we had to print everything off and put it all in binders. Verafin has taken it out of the branches' hands and saves them time, which is great because they are there to serve our members. It helps me because I don't have to find and correct errors caused by the front-line staff. I like that I can review everything quickly and queue it, then easily check to see if it gets accepted. It has provided me with a way to monitor and manage the process, and saved a ton of time."
- **Anti-money laundering:** "When investigating we would pull account histories and print them out. We spent a lot of time digging for information from the core. Verafin has saved us a lot of time this way because it gives us everything. It tells us why an alert was created. Verafin has enabled us to see more activity and be more efficient reviewing it."

“ Most of the others were selling in modules, and Verafin is an all-in-one package. I really wanted something that would be an ‘all around’ solution.

Larry Davis, Compliance Officer

”

- **Watch list scanning:** “For the 314(a) check we would get the report, print it out, and manually go through every name on the report. We had to scan every name/alias/SSN into our system to look for matches. That was extremely time consuming. Now we directly download the file from FinCEN and upload it into Verafin. It has saved an incredible amount of time.”

Finally, the state and federal examiners are very pleased with the results, as evidenced by the success of Tropical's last two examinations. Both went by smoothly with zero findings. “Our last exam, we had a perfect exam. They had literally no findings in our BSA compliance area whatsoever. In the current financial climate that is really amazing. This is due to two things: being conscious of the things we need to do and having Verafin, a great tool, to use.”

About Verafin

Verafin is the industry leader in enterprise Financial Crime Management, providing a cloud-based, secure software platform for Fraud Detection and Management, BSA/AML Compliance and Management, High-Risk Customer Management and Information Sharing. Over 3000 banks and credit unions use Verafin to effectively fight financial crime and comply with regulations. Leveraging its unique big data intelligence, visual storytelling and collaborative investigation capabilities, Verafin reduces false positive alerts, delivers context-rich insights and streamlines BSA/AML compliance processes. Verafin has industry endorsements in 48 states, including the TBA, WBA, FBA, MBA, and CUNA Strategic Services.

For more information: www.verafin.com | info@verafin.com | 1.866.781.8433