



# Corporate. Connection

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## Developing a Patch Management Process

By Mike Bechtel, information security analyst, Vizo Financial

Everyone has a favorite pair of jeans they just can't part with, even after they've formed a hole or two. Not to worry, though, as you can easily patch the hole and repair the jeans.

The same can be said of your software and network. Cybercriminals and hackers are always looking for vulnerabilities within applications. In order to combat security threats, software companies release patches to fix the vulnerabilities. A patch can be applied to create a consistent, secure environment.

And just to be clear, EVERY kind of software needs to be patched at some point or another. Even the biggest and most reliable software companies offer patches for their products. In 2016 alone, Microsoft released 150+ security patches and Adobe released 10.

If your credit union doesn't apply these patches to your systems, you might be setting the organization up for exploitation in the form of malware, ransomware and more. These threats can take advantage of flaws in your software and applications in order to infect your computer systems, or even go so far as to hold all of your data hostage until you pay a fee.

The best way to prevent malicious threats from entering your systems is to develop a patch management process. The patch management process will guide you and your staff through patching your computers and systems. The process should include:

1. **Asset inventory.** Know what computers you have and what software and applications are installed so you can properly patch your network.
2. **Patch management officer or team.** A person or group of people should be designated to prioritize and stay up to date on the latest patches, as well as coordinate and implement patches.
3. **Timetables.** Patches should be assigned specific timeframes and schedules based on their priority.
4. **Deployment of patches.** This could be an automatic or manual process.
5. **Testing.** Testing should be performed to confirm the patches are working properly to protect your systems.
6. **Compliance verification.** Obtain proof that patches are being applied and that all computers are receiving those patches.

For more information on patches and upgrades, please contact the risk management team at [riskmanagement@vfccu.org](mailto:riskmanagement@vfccu.org).

## Focus Spotlight: Are You Ready for the CECL World?

Do you have January 1, 2022, marked on your calendar as a day to remember? Are you ready for the work that needs to be done so that potential future losses can be accounted for in the present? Are you ready for the CECL world?

As the implementation date for CECL slowly creeps closer, credit unions should to be thinking about the process and preparations that need to start happening now. CECL is by no means a simple process for predicting future losses. It's going to take time and effort to meet the requirements for this change, the biggest accounting shift in decades.

So how can your credit union get started? Actually, that part is simple...call Vizo Financial.

We've partnered with ARCSys, a company that specializes in providing innovative applications for specialized accounting – and, in particular, CECL – for financial institutions. Together, we offer a solution that includes CECL software, as well as support from experts who understand the ins and outs of CECL.

The Vizo Financial team will guide you through the entire process, so you won't ever have to question what to do next!

### Vizo Financial Team:

- Loads your data
- Verifies and reconciles your data
- Recommends segments and class structures
- Recommends full life cycle models
- Answers accounting questions
- Trains your team
- Develops CECL management, governance, audit and oversight plans for your credit union
- Determines process for financial reporting and disclosures
- Annually re-validates your models for you

Our solution, powered by ARCSys, will allow you to perform all of the essential CECL functions in a user-friendly environment. How can you beat a service that offers you all of these things?

### ARCSys CECL System:

- Multiple models
- Loan level loss calculations
- Identify portfolio risks
- Ensure compliance with the Federal Accounting Standards Board (FASB) and CECL rules
- Secure your data with strict IT controls

## Monthly Financials Now Available

Vizo Financial is pleased to announce that our monthly financials for February, March & April 2019 are available on our website. To review the financials, please [click here!](#)

## Focus Spotlight: Are You Ready for the CECL World? *(continued)*

It's time to embrace the forthcoming CECL world. With help from Vizo Financial and our CECL solution, powered by ARCSys, your credit union can be ready! As we say...you bring the information, we'll bring the tools and the know-how. Together we can take on the CECL world!

For more information on our CECL solution (including a demo of the system), [click here](#), or contact your corporate account manager at [accountmanagers@vfccu.org](mailto:accountmanagers@vfccu.org).

## System Conversion: International Payments

As you may have already heard, Vizo Financial's CUSO, MY CU Services, recently converted to a new international wires system on May 20. MY CU Services' foreign check collections process was also updated as part of the conversion.

Thank you to the credit union staff who participated in our webinars and worked diligently to prepare for the new system. We hope you are enjoying the enhancements, which includes single sign-on through Zephyr, custom reports, use of previous remitter and beneficiary information, data retention up to 25 months, Reg E disclosures and more. You've truly made this conversion a success!

If you have any questions, please contact MY CU Services at [eft@mycuserVICES.com](mailto:eft@mycuserVICES.com) or (888) 985-7280, option 1.

## Community Involvement

Vizo Financial continues to make a positive difference in our local communities. Here's what we've been doing over the past few months:

### Reality Fairs

*March – May*

Vizo Financial participated in multiple reality fairs throughout Central Pennsylvania in March and April. The events were held at various local high schools, and were hosted by Belco Community Credit Union, Lanco Federal Credit Union, Wheatland Federal Credit Union and the Greater Reading Credit Union Financial Reality Fair Group. These reality fairs provide a hands-on experience where students gain practical knowledge about personal financial management. Members of our staff volunteered to assist students and act as a financial counselor in evaluation of "real world" circumstances regarding financial decision making.

### Ronald McDonald House

*April 8*

On April 8, Vizo Financial's 11-person executive team cooked a meal (complete with a dessert of springtime cupcakes) for families staying at the Ronald McDonald House in Hershey, Pa. The Ronald McDonald House keeps children and families together by providing temporary housing, at no charge, to out-of-town families of seriously ill children who are being treated at Penn State Children's Hospital.

### Community Donations

Vizo Financial has made donations and provided sponsorships to several charity events throughout the spring. These included:

#### **RAIN, Beatles Tribute Band Fundraiser**

Vizo Financial committed to the Come Together sponsorship of the RAIN, Beatles Tribute Band fundraiser for The Credit Union Foundation of Maryland and the District of Columbia. The proceeds from this event support the Foundation's financial literacy projects.

#### **KEMOPALOOZA**

Vizo Financial donated a Brighton jewelry collection to the auction at the KEMOPALOOZA event at the Prisma Health Children's Hospital – Midlands (formerly Palmetto Health Children's Hospital) in Columbia, South Carolina. The purpose of this event is to make a difference in the lives of more than 1,000 children per year who have cancer or a blood disorder with the promise to join them on the journey through their illness.

#### **The Credit Unions Care Foundation of Virginia 7th Annual Golf Classic**

Vizo Financial was the beverage cart sponsor at The Credit Unions Care Foundation of Virginia 7th Annual Golf Classic at the Golden Horseshoe/Green Course in Williamsburg, Virginia, on April 3, 2019. The tournament benefits the Foundation, which supports credit unions' social mission by aiding their communities and offering assistance for those in need.

## Did You Know: ACH Continues to Grow

Did you know that ACH is one of the fastest growing electronic funds transfer options available today?

Picture \$51.2 trillion in your mind. It's hard to even imagine what that amount of money would look like, isn't it? And, yet, that's the amount that was transferred via ACH in 2018, according to NACHA. Here are some other quick stats:

- ACH volumes in 2018 increased 6.9 percent over 2017
- The value of ACH transactions has increased by at least \$1 trillion every year for the last six years
- There were 177.9 million same day ACH transactions totaling \$159.9 billion in 2018
- In 2018, Internet ACH transactions reached 5.9 billion, P2P transactions reached 128.7 million and direct deposit reached 6.8 billion

To paint another picture, NACHA stated: "If the value of 2018's transactions was laid end-to-end in \$1 bills, it would stretch more than 4.9 billion miles, long enough to make 10.385 roundtrips between Earth and the moon."

What we're trying to say is simply that ACH continues to grow, no question about it. With stats like the ones above, there's more than enough proof that ACH should be on every credit union's list of services. That's where we can help...

Vizo Financial's payment and technology CUSO, MY CU Services, offers both ACH receipt and originations options for credit unions. The ACH Receipts & Returns system allows you to pick up your ACH files (including same day ACH) and submit returns or notification of change items. The ACH Originations system provides the ability for you to create recurring and/or one-time ACH transactions. In this system, you can create templates for future use and upload batches and entries.

In addition, MY CU Services' ACH solutions require no special software, and we perform all upgrades – including those related to NACHA Rules updates – so there is no extra work on your part.

When it comes to the growth of ACH, there doesn't appear to be an end in sight. If your credit union needs a new ACH solution, or is looking for a robust alternative to your current one, reach out to MY CU Services!

For information and features of the ACH Receipts & Returns and Originations systems, please contact MY CU Services' sales team at [sales@mycuservices.com](mailto:sales@mycuservices.com).

## Upcoming Events

### CCUL Member Appreciation Luncheon

*Omni Grove Park Inn, Asheville, N.C.*

June 3, 2019 – 12:20 – 1:30 p.m.

To thank our members for their support and dedication to the cooperative spirit, Vizo Financial will be hosting a member appreciation luncheon during the Carolinas Credit Union League Annual Meeting. The Omni Grove Park Inn will be the setting for this event. We hope to see you there!

### 2019 Hot Dog Eating Contest

*Vizo Financial Middletown Campus*

July 17, 2019 – 3:30 – 4:30 p.m.

Our sixth annual hot dog eating contest will be back again on Wednesday, July 17, 2019! The proceeds will go to our local Children's Miracle Network Hospital at Penn State Children's Hospital in Hershey, Pa. Credit unions are welcome to join in this exciting fundraiser as sponsors, contestants and supporters. New to this year's event are 2019 Hot Dog Contest t-shirts and the "All the Fixin's" sponsorship, where CUs can add their logo to the event t-shirts. Registration is now open!

## Thank You New Users

Thank you to the credit unions and organizations that recently began using the following services:

### ALM Model Validation

Community First CU	FL
Democracy FCU	VA
Eastman CU	TN
First Choice FCU	PA
Freedom First FCU	VA
South Carolina FCU	SC
Service 1st FCU	PA
Valley First CU	CA
WNC Community CU	NC

### CECL

United Community FCU	PA
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### Digital Defense Services

Capital Area Realtors FCU	MD
Raritan Bay FCU	NJ

### Information Security Services

IRS Buffalo FCU	NY
Nucor Employees CU	SC

### Securities Safekeeping

1st Advantage FCU	VA
Garden State FCU	NJ
Ingersoll-Rand FCU	PA

### SimpliCD

CMC-FCPI Employees FCU	PA
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### Student Loan Program

Ferko Maryland FCU	MD
Government Printing Office FCU	DC

Thank you to the credit unions and organizations that recently began using MY CU Services:

### ACH Receipts & Returns

People First FCU	PA
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### ATM Capture

Delaware State Police FCU	DE
Horizon FCU	PA

## Upcoming Education Sessions

**June 5**

**Fast Track for Small Businesses...The Core of Credit Unions**

*Larry Middleman, president/CEO, CU Business Group*

2:00 p.m. ET

Looking for a quick and efficient way to process small loans for business members at your credit union? Join Larry Middleman, CEO of CU Business Group, and learn how you can say “yes” to your members faster and more easily with CUBG’s new Fast Track small loan program. Hear how you can originate these small loans in the branch, extending your credit union’s business lending capabilities and helping you efficiently serve this key market segment.

This session will cover:

- Benefits of the Fast Track program
- Eligible loans types
- Business lending capabilities

This webinar is designed for credit union staff responsible for the institution’s lending program or anyone who wishes to learn more about the Fast Track small loan program.

There is no fee to attend this educational webinar, however registration is required. Space is limited. This session will be recorded for playback. This session does NOT qualify for CPE credits.

**June 11**

**Tabletop Exercise – Security Threats to Your Credit Union**

*Mark Clarke, business continuity administrator, Vizo Financial*

10:00 a.m. ET

A tabletop exercise is a walk-through of emergency procedures with your credit union’s key personnel about what could happen in a real-life incident. This live tabletop will test your credit union’s plans with a “mock” real-world example. How will your team handle the situation? Are you prepared?

This is a tabletop session designed for multiple credit union team members to participate together. The goal of this exercise is to test the effectiveness and efficiency of the team and your credit union’s security and risk plans. The session will break periodically for 5-10 minute intervals to allow time for team discussion regarding the tabletop scenario.

Please only register **one** individual for your credit union’s team participation.

There is no fee to attend this webinar tabletop, however registration is required. This session will NOT be recorded for playback. This session does NOT qualify for CPE credits.

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## Upcoming Education Sessions *(continued)*

**June 19**

### **Top 10 ALM Comments from Examiners**

*Lisa Boylen, senior ALM analyst, Vizo Financial*  
2:00 p.m. ET

It's time for your ALM exam. You've made your preparations, you've got all your ducks in a row...you think. Despite your efforts, the examiner still comes back with comments. Don't worry, your credit union is not the only one to hear these things, which begs the question...what are the most frequent comments from ALM examiners? Senior ALM analyst, Lisa Boylen, will walk you through the top 10 examiner comments and best practices to avoid being on the receiving end.

This session will discuss:

- Examiner comments from real-life scenarios
- Key areas of focus for examiners
- Things you can do to prevent negative feedback on your exams
- The importance of exam preparations and meeting the requirements of the exam request list

This webinar is for credit union staff who handle the institution's ALM and balance sheet management responsibilities or anyone who wants to learn more about ALM exams.

**The cost for the session is \$79 per registered attendee.** Each registered attendee will receive a certificate of completion. Space is limited and registration is required. This session will be recorded for playback. In accordance with the National Registry of CPE Sponsors, CPE credits will be granted based on a 50-minute hour.

## Thank You New Users

### **Biz 2.0 Bill Payment**

Horizon FCU PA

### **Consumer Bill Payment**

Kemba Charleston FCU SC

MembersOwn CU NE

Strategic FCU VA

### **Homebanking Imaging**

IBEW Local 56 FCU PA

MERHO FCU PA

Standwood Area FCU PA

West Branch Valley FCU PA

### **Managed IT Services**

Eagle One FCU PA

Georgetown FCU DC

Team First FCU PA

### **Merchant Capture**

Pheple FCU PA

### **Mobile Capture**

Healthcare First CU PA

MERHO FCU PA

Timberland FCU PA

Tobacco Valley Teachers FCU CT

### **Website Hosting**

Strategic FCU VA

Wakefern FCU NJ

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## Upcoming Education Sessions *(continued)*

**July 11**

**BSA/AML Basics Compliance Training Webinar**

*Cindy Hagan, compliance administrator, Vizo Financial*

2:00 p.m. ET

The NCUA requires Bank Secrecy Act (BSA) and Anti-Money Laundering (AML) training each year for credit union personnel. Fulfill this requirement by attending this webinar on the basics of BSA/AML.

This session will discuss:

- BSA and AML regulations
- BSA and AML reporting requirements
- CTRs, SARs, 314(a) and member identification
- Enhanced due diligence and beneficial ownership

This webinar is designed for all credit union staff who need to complete their yearly BSA/AML training.

**The cost for the session is \$79 per registered attendee.** Each registered attendee will receive a certificate of completion. Space is limited and registration is required.

This session will NOT be recorded for playback. This session does NOT qualify for CPE credits.