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CASE STUDY

Velera Risk Mitigation Services - Enhanced

PFCU Strengthens Fraud Prevention with Velera

THE CREDIT UNION

PFCU

PFCU, a Michigan-based credit union serving 57,000 members through 13 branches, partnered with Velera to modernize its fraud prevention strategy. By implementing Velera's Risk Mitigation Services – Enhanced, PFCU moved from a reactive, manual process to a proactive fraud management model supported by dedicated expertise, continuous monitoring and real-time intervention.

The results were immediate: faster fraud detection, reduced losses, increased operational efficiency and an improved member experience.

PFCU serves members across Michigan, with branches stretching from the Flint region to the Grand Rapids area. Focused on supporting small and midsize communities, the credit union is committed to delivering personalized financial services and building long-term member relationships.

"As the vice president of card services, my main focus is to enhance our card programs and offer better products and services to our members," said Eric King, vice president of card services at PFCU.

PFCU Credit Union

pfcu4me.com

- 57,000 members
- More than $850 million in assets
- 13 branches across Michigan
- Serves communities from the Flint region to the Grand Rapids area

THE OPPORTUNITY

As scams and fraud became increasingly sophisticated, PFCU's existing fraud management process created operational challenges and increased financial risk.

"The current way that we were doing it was a little cumbersome, and we had quite a bit of losses," King said.

Fraud detection relied heavily on manual analysis and coordination with external vendors, creating delays between fraudulent activity and corrective action.

"Sometimes it could take a couple days," King said. "That would lead to losses on our part and really affect our members."

The process also required significant staff time to investigate fraud events and implement controls, diverting resources from other strategic priorities.

PFCU needed a faster, more scalable approach that could strengthen fraud prevention while reducing the burden on internal teams.

THE SOLUTION

In 2025, PFCU partnered with Velera to implement Risk Mitigation Services – Enhanced , the highest service level within Velera's flexible risk mitigation consultative framework.

This premium solution provides a dedicated risk consultant supported by continuous monitoring, daily engagement and ongoing fraud program management.

Key capabilities include:

- 365-day fraud monitoring and protection
- Daily fraud insights, alerts and rule recommendations
- Continuous rule testing, deployment and optimization
- Dedicated fraud strategy expertise

For PFCU, the service functions as an extension of the internal team. The close partnership includes daily communication, weekly working sessions and monthly performance reviews to ensure fraud controls remain aligned with emerging trends, ensuring that the PFCU team never has any surprises.

Additionally, Velera's team actively monitors fraud activity, identifies emerging trends and implements targeted controls. This frees PFCU to focus on serving members rather than managing day-to-day fraud operations.

The result is a streamlined, proactive approach to fraud management that continuously adapts to emerging threats while reducing the operational burden on PFCU's team.

"We don't have to try and figure out what we need to do," King said. "[The consultant] is taking care of it for us. We approve it and move on."

Reduce Fraud Losses with a 360-Degree Approach

Strengthen Fraud Detection and Prevention

Stay Ahead of Evolving Fraud Trends

Improve Member Experience

Enhance Operational Efficiency

THE RESULTS

Faster Fraud Detection and Response

PFCU significantly reduced the time required to identify and respond to fraudulent activity. Fraud incidents that once remained active for multiple days are now addressed in near real time, while weekend fraud exposure was dramatically reduced.

“There were times when the fraud would happen for days. Now, it’s stopped immediately,” King said.

Reduced Fraud Losses

By identifying and stopping fraud earlier in the transaction cycle, PFCU reduced losses and limited exposure across its card portfolio.

Increased Operational Efficiency

The managed-service model reduced the workload on internal teams and simplified fraud management processes, with the internal staff no longer needing to build and maintain fraud rules, resulting in less time spent investigating incidents. This has led to faster decision-making and approvals overall.

Improved Member Experience

Stronger fraud controls helped PFCU enhance the member experience while supporting its goal of becoming members’ preferred payment card. Faster fraud detection and more targeted fraud controls reduced fraud-related disruptions, giving members greater confidence when using their cards.

The improved approach also reduced unnecessary declines and helped deliver more consistent card performance. By minimizing friction while maintaining strong fraud protection, PFCU strengthened trust and created a smoother payment experience for members.

> “Instead of taking all these losses, now we’re saving. The service pays for itself.”
>
> – **Eric King, Vice President of Card Services at PFCU**

Looking Ahead

Building on its strengthened fraud foundation, PFCU is continuing to expand its card and payments capabilities, including digital issuance and flexible payment options.

The credit union views its partnership with Velera as an important component of both operational performance and future growth.

Bottom Line

By leveraging Velera's Risk Mitigation Services – Enhanced, PFCU transformed fraud management into a proactive, always-on operation that:

- Detects and responds to fraud faster
- Reduces fraud losses
- Streamlines operations and lowers administrative burden
- Improves the member experience

The result is a more efficient, resilient fraud strategy that helps protect both the credit union and its members.

The Velera Advantage

Velera's fraud prevention solutions provide credit unions with direct access to specialized fraud expertise and cutting-edge risk management tools, such as a dedicated risk program consultant to guide your strategy, custom fraud prevention plans and expert-driven response to fraud incidents. With our experienced team and access to 360-degree monitoring every day of the year, you can enjoy comprehensive risk mitigation at the level that meets your needs.

> "Overall, working with Velera has been excellent. It's better for us, it's better for our members and it helps everybody in the long run."
>
> – **Eric King, Vice President of Card Services at PFCU**

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For more information call 844.367.7728 or visit velera.com