

RISK Alert

ACTIONABLE INSIGHTS FOR BOND POLICYHOLDERS.



Alert Type

Awareness

Watch

Warning

Corporate Check Fraud Reported

These credit unions report their corporate check accounts are being fraudulently used:

Sunrise Family Credit Union, MI

ServU Federal Credit Union, NY

GENCO Federal Credit Union, TX

Lehigh Valley Educators Credit Union, PA

St. Joseph Federal Credit Union, OH

InFirst Federal Credit Union, VA

Unitus Community Credit Union, OR

Review the check fraud details on the following pages of this Alert. For additional questions or insights on these specific check fraud situations, please use the credit union contact information listed in the details.

Risk Mitigation Recommendations & Related Resources

Front-line staff training regarding check fraud, counterfeit checks, implementation of policies and procedures for check verification; and appropriate use of check holds are critical risk mitigation techniques. Access CUNA Mutual Group's Protection Resource Center for exclusive resources including Training Modules under Deposit Account Services – Protecting Against Check Fraud and Recognize / Prevent Common Check Fraud Schemes. User ID and Password is required.

Additional risk mitigation tips are available at [Check Fraud Loss Prevention](#) within the Protection Resource Center.

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This resource was created by CUNA Mutual Group based on our experience in the credit union, insurance, and risk management marketplace. It is intended to be used only as a guide, not as legal advice. Any examples provided have been simplified to give you an overview of the importance of selecting appropriate coverage limits, insuring-to-value, and implementing loss prevention techniques. No coverage is provided by this resource, nor does it replace any provisions of any insurance policy or bond. Please read the actual policy for specific coverage, terms, conditions, and exclusions.

Date: June 9, 2022

Risk Category: Scams, Check Fraud; Corporate Checks

States: All

Share with:

- Branch Operations
- Front-Line Staff / Tellers
- Member Services
- Risk Manager
- Teller Supervisor
- Transaction Services



To share risk insights or gain additional assistance:

- [Report a RISK Alert](#)
- [Ask a Risk Consultant](#)
- Contact a CUNA Mutual Group Risk & Compliance Consultant
 - **800.637.2676**
 - riskconsultant@cunamutual.com



Details

Credit Union	Sunrise Family Credit Union
Contact's Name	Marcia Gillings
Email Address	mgillings@sunrisefamilycu.org
Phone	989-684-1730
<p>Bank called to verify some of the items when discovered.</p> <ul style="list-style-type: none"> Font is large 3 * only on the pay written amount foil sticker on front of check check number have 2 preceding 0 authorized signature line does not extend to border of check - too short pay only preceding by >>>>should be arrows check printing off center on phone verification. <p>Suspected romance scam</p>	

Check(s) \$ Amount	\$4,500; \$3,650; \$2,000
Approximate # of Checks	3
Institution Name appearing on check	SUNRISE FAMILY CREDIT UNION
Logo Location	Same
Bad Check Color	Unknown
Legitimate Check Color	Light blue
Check Series	00312331,504331
Fraudulent Check RTN	272476983
Actual Credit Union RTN	272476983
Check Account No.(s)	0000000190884
Perpetrator Name	Josefina Ordaz, Vernon Robinson, William Aldrich Ames

Credit Union	ServU Federal Credit Union
Contact's Name	Jody Amidon
Email Address	jamidon@servucu.com
Phone	607-324-0573
<p>Checks are trying to clear through our Fed account, but the account number is invalid.</p> <p>Checks are issued from the following: RONCO Construction Co 1717 N 74th St Omaha NE 66114</p> <p>Checks are payable to the following individuals: Angel Wacek, Braulia Cordero, Leroy Hamblin, Karen Rangone</p> <p>Logo does appear on the real checks but is not on the fraudulent checks.</p>	

Check(s) \$ Amount	\$3,000; \$5,000; \$9,000; \$20,000
Approximate # of Checks	4
Institution Name appearing on check	ServU FCU
Logo Location	Does not appear
Bad Check Color	Unknown
Legitimate Check Color	Grey
Check Series	57449
Fraudulent Check RTN	222380388
Actual Credit Union RTN	222380388
Check Account No.(s)	220200045006
Perpetrator Name	unknown

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Interested in learning more about check fraud?

Contact CUNA Mutual Group's Risk & Compliance Solutions at **800.637.2676** or by email at riskconsultant@cunamutual.com.



Details

Credit Union	GENCO Federal Credit Union
Contact's Name	Cynthia Zavodny
Email Address	czavodny@gencofcu.org
Phone	254-776-9550
<p>A member received a legitimate check and then altered the original check from \$20.00 to \$20,000. He claims he was told to do this by his girlfriend. Soon after these checks started hitting our account with different check numbers.</p> <p>Authorized signer should be Mary L. Needler and the fraudulent signature is not.</p>	

Check(s) \$ Amount	\$4,980
Approximate # of Checks	8
Institution Name appearing on check	GENCO Federal Credit Union
Logo Location	varies
Bad Check Color	Unknown
Legitimate Check Color	Blue and white
Check Series	varies
Fraudulent Check RTN	311990511
Actual Credit Union RTN	311990511
Check Account No.(s)	79280311905328
Perpetrator Name	Eutiquo Manuel Estrada

Credit Union	Lehigh Alley Educators Credit Union
Contact's Name	Rosemarie Krantz
Email Address	krantzr@lvecu.org
Phone	610-820-0145
<p>Individuals received these checks along with a consumer research network letter requesting them to deposit the check to their FI, keep \$400 and return the balance in the form of an Ebay gift card.</p> <p>Fraudulent checks:</p> <ul style="list-style-type: none"> • Logo is stretched and has two colors - black and red • Phone number missing • "Check no" missing just list the number • Missing "void after 90 days" above the date • Words "authorized signature" is missing • "pay" is missing • Has lines for Pay to the order of and the amount – original check does not have any lines other than where the authorized signature is located. 	

Check(s) \$ Amount	\$2,450
Approximate # of Checks	3
Institution Name appearing on check	Lehigh Valley Educators Credit Union
Logo Location	Same
Bad Check Color	Blue
Legitimate Check Color	Burgundy
Check Series	81359
Fraudulent Check RTN	231367550
Actual Credit Union RTN	231387550
Check Account No.(s)	231378996013
Perpetrator Name	unknown

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Details

Credit Union	St. Joseph Federal Credit Union
Contact's Name	Carl Huthmacher
Email Address	carih@stjfcu.org
Phone	330-478-8400
<p>Individuals are receiving a survey letter asking to cash the check and then go to Walmart to obtain gift cards for \$500. Instructions are then to send them the codes on the back and keep \$100.</p> <p>They look very similar to our checks.</p>	

Check(s) \$ Amount	\$2,650
Approximate # of Checks	2
Institution Name appearing on check	STJ Federal Credit Union
Logo Location	Same
Bad Check Color	Blue and green
Legitimate Check Color	Blue and green
Check Series	187834-187835
Fraudulent Check RTN	241274569
Actual Credit Union RTN	241274569
Check Account No.(s)	7777777095
Perpetrator Name	Not provided

Credit Union	InFirst Federal Credit Union
Contact's Name	Kristina Johnson
Email Address	kjohnson@infirstfcu.org
Phone	703-914-8700
<p>It is suspected these checks are being used for online or mail fraud scams since they all show an issue date of 5/12/2022 and reference the same remitters name, Jessica Tarvin.</p> <ul style="list-style-type: none"> The credit union address is incorrect The phone number is missing The checks contain words "cashiers check" in the top portion of check <p>The credit union's checks do not have this detail. The fraudulent check borders appear to be different from authentic checks.</p>	

Check(s) \$ Amount	\$1,478.23
Approximate # of Checks	5
Institution Name appearing on check	InFirst FCU
Logo Location	Same
Bad Check Color	n/a
Legitimate Check Color	Peach/green
Check Series	Not provided
Fraudulent Check RTN	254075438
Actual Credit Union RTN	254075438
Check Account No.(s)	0053019701
Perpetrator Name	Not provided

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Details

Credit Union	Unitus Community Credit Union
Contact's Name	Alexa Holsten
Email Address	aholsten@unitusccu.com
Phone	503-423-8389
<p>Checks were received as part of an employment job scam. Fraudulent checks only have one signature, Bonnie Buchu.</p> <ul style="list-style-type: none"> • There are multiple fonts used • Full address listed instead of just Portland OR • the phrase "You Us Unitus" is to the right of the logo on the legitimate checks; it is below the logo on the fraudulent checks. 	

Check(s) \$ Amount	\$1,879
Approximate # of Checks	10
Institution Name appearing on check	Unitus Community Credit Union
Logo Location	Same
Bad Check Color	Blue
Legitimate Check Color	Blue
Check Series	59633600-699
Fraudulent Check RTN	323075699
Actual Credit Union RTN	323075699
Check Account No.(s)	0140011144382
Perpetrator Name	Not provided

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