



**BANKING & ACCOUNTING OPERATIONS NEWSLETTER #25  
SEPTEMBER 2020**

**ACCEPTING PAYMENTS IN THE WORLD OF COVID19 – PART 5: FRAUD ON THE RISE  
DURING COVID19**

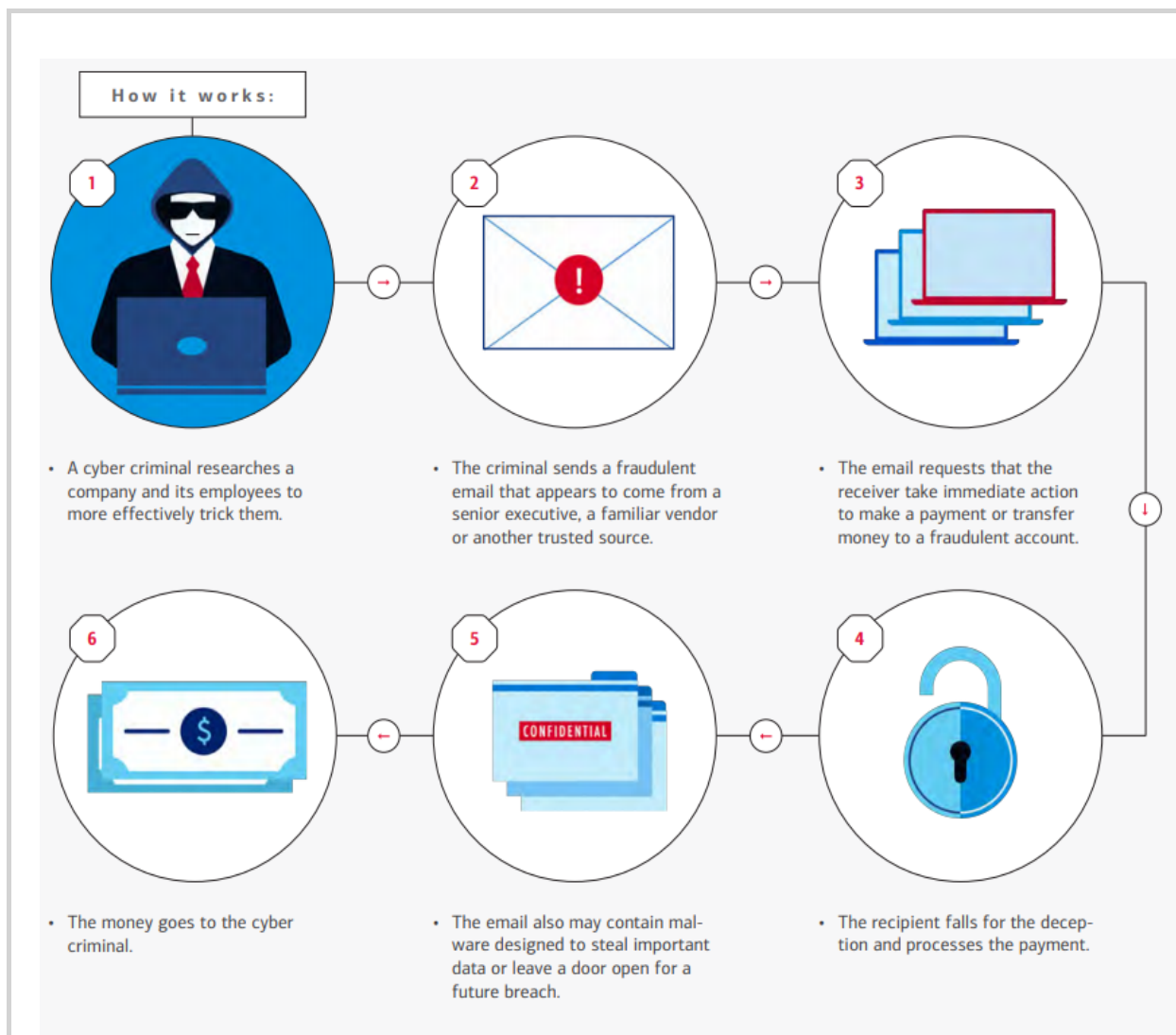
As business disruptions continues due to the pandemic, fraudsters are taking advantage of the vulnerability of the disruption. In the last couple of months, banks have reported increase in multiple methods of payment fraud attacks, most particularly in Business Email Compromise (BEC). [In July 2019 Newsletter](#), BAO discussed BEC being part of Social Engineering Fraud. In this newsletter, BAO would like to discuss more in-depth regarding BEC based on recent webinars offered by Bank of America and Wells Fargo.

**What is Business Email Compromise (BEC)?**

BEC occurs when fraudsters send emails to trick organization in sending funds to an illegitimate bank account. The fraudsters usually target senior managers that can authorize other employees that can make the payment. BEC depends on human error and willingness to trust the narration in the email. These fraudsters study their targets before an attempt is made and they target employees that are on-the-go. To catch the attention of the targeted parties, fraudsters utilize key words listed below:

- *Urgent Request*
- *Important Update/Request*
- *Attention*
- *Time Sensitive*
- *Transaction Request*
- *Notification of Payment*

The emails will seem very time sensitive and important that the receiver needs to act fast. These should be signs to review and read the email in a calm and detailed manner. Below is a diagram that displays how it works\*:



## How Dangerous is BEC?

The FBI announced that total financial losses attributed to BEC incidents topped \$1.7 billion in 2019, a 37% spike over the year before\*. US ranked No.1 among countries most targeted by BEC scammers.

In 2019, 61% of treasury and finance professionals reported an attempt or successful BEC fraud\*\*. There was a 100% increase in US dollars exposed globally between May 2018 and June 2019, with all 50 states and 177 countries reporting BEC attacks\*\*.

## BEC during COVID-19

Below are some of the examples of how fraudsters are utilizing BEC today:

- *An impostor posing as a company CEO emailed a request for a bank account change and an earlier payment date for previously scheduled funds “due to the Coronavirus outbreak and*

*quarantine processes and precautions. The fake email address nearly matched the CEO's real email address with only one letter altered\*\*.*

- *A request to change all invoice payments to a new bank, claiming that the regular bank accounts were inaccessible due to Corona Virus audits\*\*.*
- *Fraudsters claiming to sell personal protective equipment (PPE), medical equipment including ventilators, and other equipment and supplies that have shortages\*\*.*

Recent studies are shown that remote workers are optimal targets for BEC fraud. Workers facing stress and distractions at home can counteract previous training and awareness that can leave workers more vulnerable.

## Security Measures to Help Protect from BEC

Check for the red flags in the email

- Look for the key words listed above or any sense of urgency
- Subtle changes to names, company names, addresses, or any information looks suspicious
- Check if the email domain is valid and is not a public domain like gmail or yahoo
- Email contains new bank account information

Verbally verify all payment request and any changes to payment instructions

- Call the vendor directly to obtain verbal verification for the request
- Use a different communication channel or a known contact if available, rather than the one used by the requestor

The following materials regarding BEC are referenced from source below:

\**Cyber Security Journal*. (2020). Retrieved from Bank of America:

[https://wcc.on24.com/event/16/76/77/3/rt/1/documents/player\\_docanchr\\_3/bank\\_of\\_america\\_cyber\\_security\\_journal\\_q1\\_2020.pdf](https://wcc.on24.com/event/16/76/77/3/rt/1/documents/player_docanchr_3/bank_of_america_cyber_security_journal_q1_2020.pdf)

\*\**BEC attacks rise as criminals see to cash in on COVID-19 crisis*. (2020). Retrieved from Wells Fargo

<https://digital.wf.com/treasuryinsights/portfolio-items/tm3250/>

## UW Deposit FAQs

### **How do I receive electronic deposits such as ACH, WIRE, Webchecks, or Direct Deposit?**

To receive fund by ACH or WIRE, please fill out the ACH/WIRE Instructions Request Webform below:

[UW's ACH Instruction Request Form](#)

To obtain the ability to received funds by webchecks or direct deposit, please consult with Office of Merchant Services by emailing [pcihelp@uw.edu](mailto:pcihelp@uw.edu). In addition, they can also assist in setting up payment portals to accept payments by credit/debit cards.

### **Can I receive payments by Venmo or Zelle?**

No, UW cannot accept payments by Venmo or Zelle at this time. For additional information about Venmo or Zelle, please read our March Newsletter:

[March 2020 Newsletter – What are Venmo and Zelle?](#)

#### **Are we still required to make deposits for non-grant related checks as well?**

Yes, whether the check is grant related or non-grant related, departments are still required to make deposits for their department when practical (within six months of issue date).

#### **How do I make deposits during this time of work from home?**

Details of making a deposit currently can be found in the [April](#) and [May](#) Newsletter. But below are the current methods:

- **Bank by mail:** Mail in your deposit to Bank of America's Bank by Mail
- **Bank of America Banking Center:** Drop your deposit in person at a local Bank of America either with a teller or the night drop located outside the banking center
- **UWMC Cashier's Office:** Drop off your sealed deposits at UWMC Cashier's Office

#### **How do I order deposit slips and bags?**

- While BAO staff are working remotely, deposit supply orders are being fulfilled once a week
- Deposit supplies will continue to be sent by campus mail, however, if departments would like to pick up the supplies at Roosevelt Commons West building, please indicate on the webform
- To order deposit slips and/or bags, please [click here](#)

#### **How do I get other employees added to this mailman list?**

- Please share BAO's mailman list FA\_BAO subscription to receive updates and newsletters sent out by BAO
  - o [https://mailman12.u.washington.edu/mailman/listinfo/fa\\_bao](https://mailman12.u.washington.edu/mailman/listinfo/fa_bao)

### **BAO Newsletter Update**

BAO Newsletters will now be updated on a quarterly basis, instead of monthly going forward. We hope that this change can bring better content that will be more beneficial to the subscribers of BAO Newsletters. Thank you for understanding and we appreciate the time in reading our newsletters.

*To review previous newsletters, please visit <https://finance.uw.edu/bao/resources/bao-newsletter>*

*BAO is committed to providing campus departments with high-quality customer services. Please send your feedback or suggestions to [bankrec@uw.edu](mailto:bankrec@uw.edu) to help us improve our services.*

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