

# SECURING PAYMENTS: ADAPTING TO OLD CHALLENGES AND NEW THREATS



## CRAIG JEFFERY

Managing Partner, Strategic Treasurer

## MARK PENSERINI

Vice President of Partner Management, Corpay



### WHAT

Considering multiple strategies to help accomplish both payment efficiency and security.



### WHEN

Thursday, April 21, 2022  
11:00 AM – 12:00 PM EDT



### WHERE

Live online presentation  
Replays at [StrategicTreasurer.com](https://StrategicTreasurer.com)



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# ABOUT THE SPEAKERS

GET TO KNOW TODAY'S SUBJECT MATTER EXPERTS



## CRAIG JEFFERY

Craig Jeffery formed Strategic Treasurer in 2004 to provide corporate, educational and government entities direct access to comprehensive and current assistance with their treasury and financial process needs.

His 30+ years of financial and treasury experience as a practitioner and as a consultant have uniquely qualified him to help organizations craft realistic goals and achieve significant benefits quickly.



## MARK PENSERINI

Mark has over 25 years of operations and technical experience specializing in project management across Healthcare, Finance and IT operations. Before Corpay, Mark was Vice President of Partner Services at Inworks servicing, LLC for six years. Mark was also a director and program manager at Molina Healthcare, focusing on their health insurance exchange. He also served as Deputy Program Manager for the Oregon Health Insurance Exchange for over three years with a \$200 million budget.

# TOPICS OF DISCUSSION

KEY AREAS OF FOCUS &  
ANALYSIS



**EVOLUTION OF FRAUD**  
CHARACTERISTICS AND TYPES



**PAYMENT SECURITY**  
CONTROLS AND FRAMEWORKS



**EFFICIENCY**  
OPTIMIZING THE WHOLE



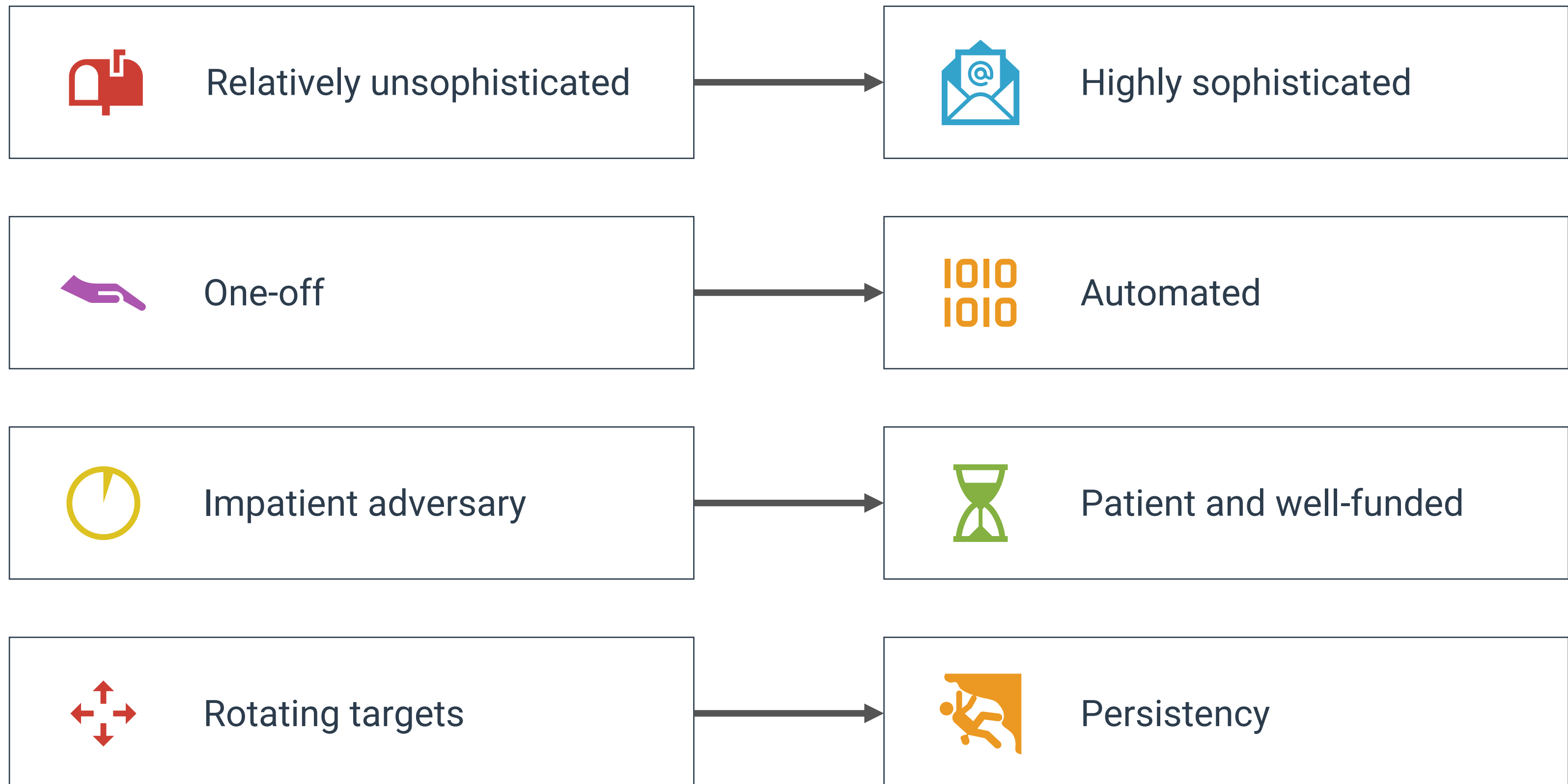
**VIRTUAL CARDS**  
FUNCTIONS AND BENEFITS



**KEY TAKEAWAYS**  
AND FINAL THOUGHTS

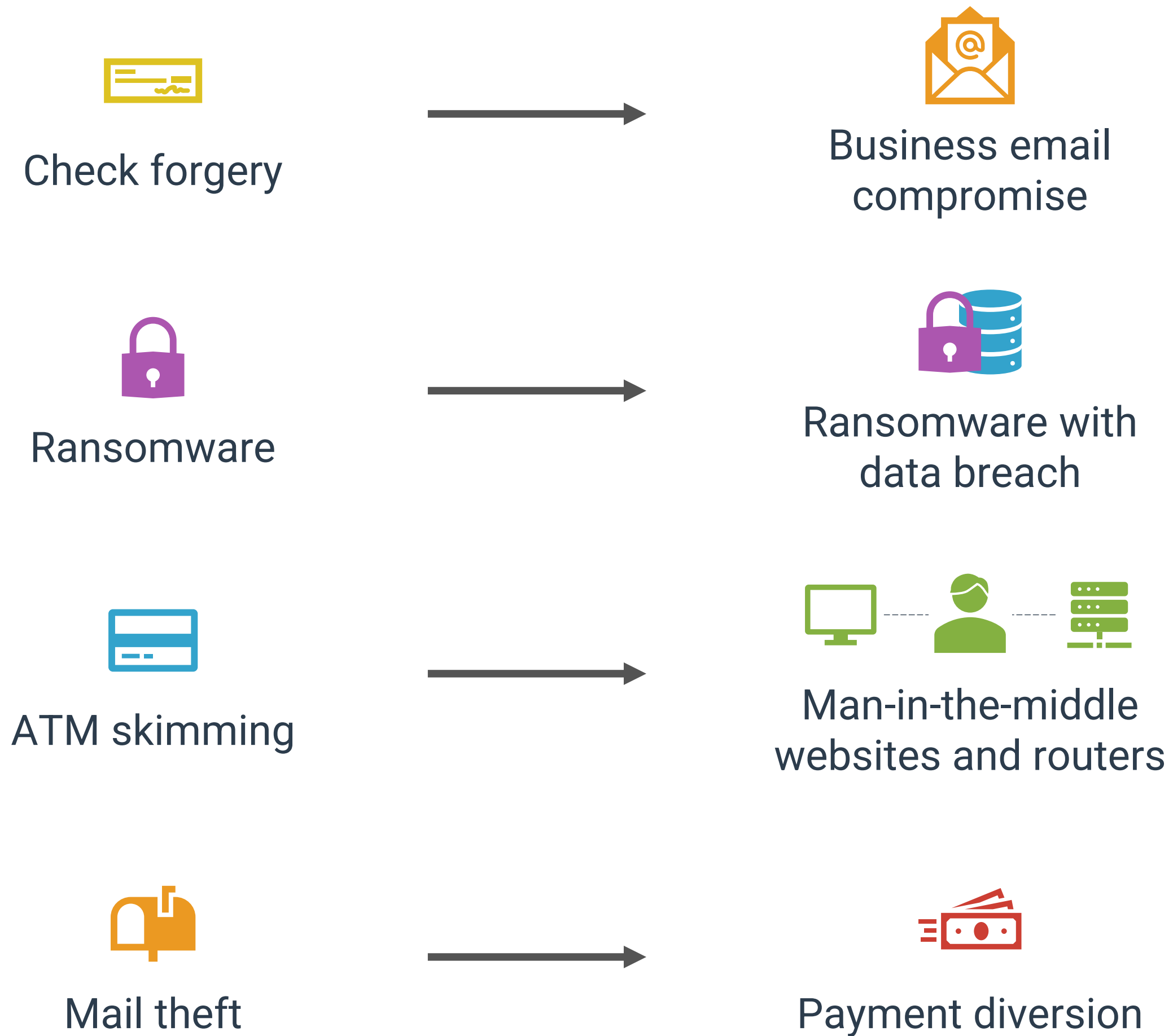
# OLD CHALLENGES & NEW THREATS

## THE PROGRESSION OF FRAUD



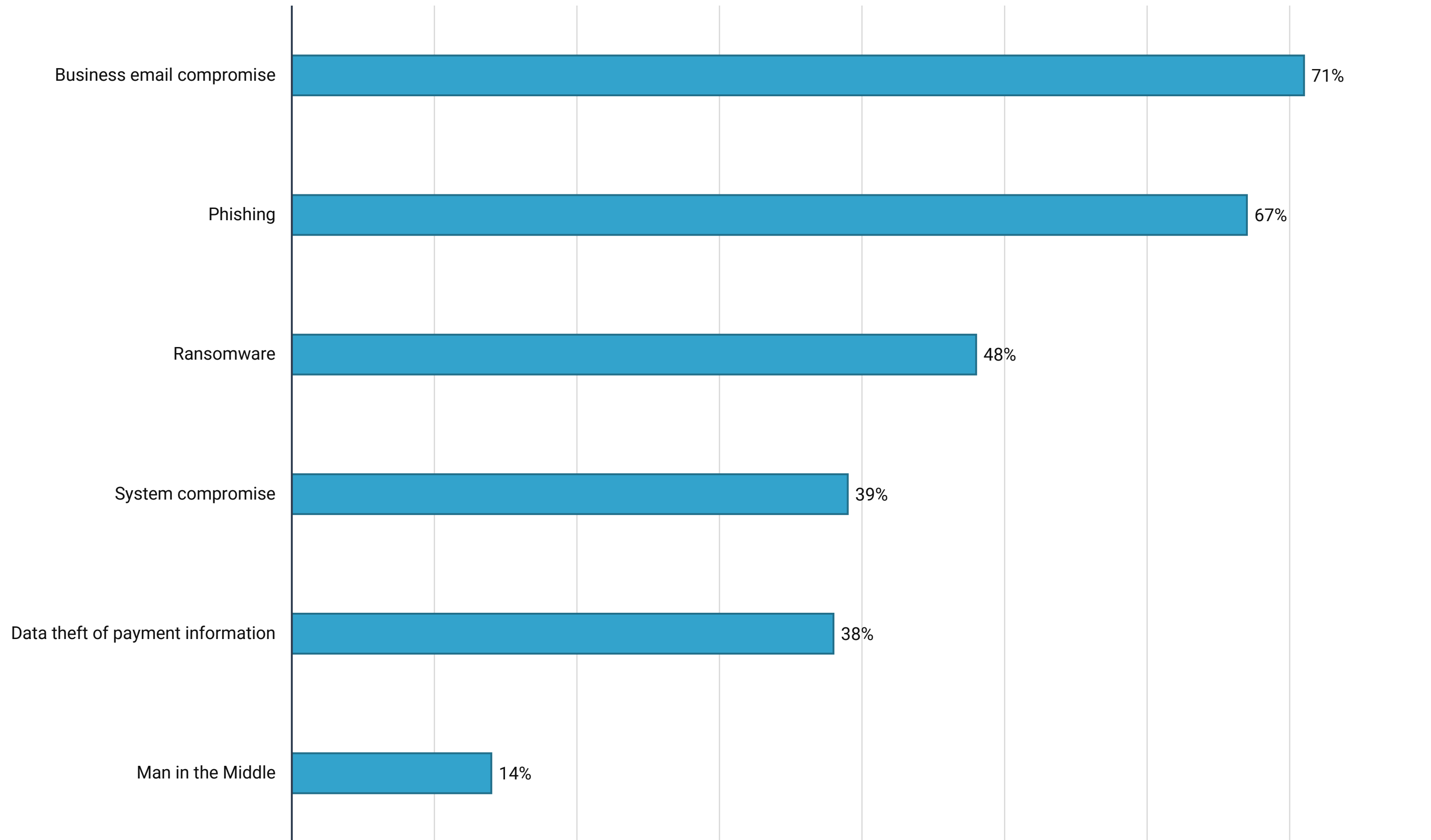
# THREATS AND ATTACKS

THE PROGRESSION OF TYPES



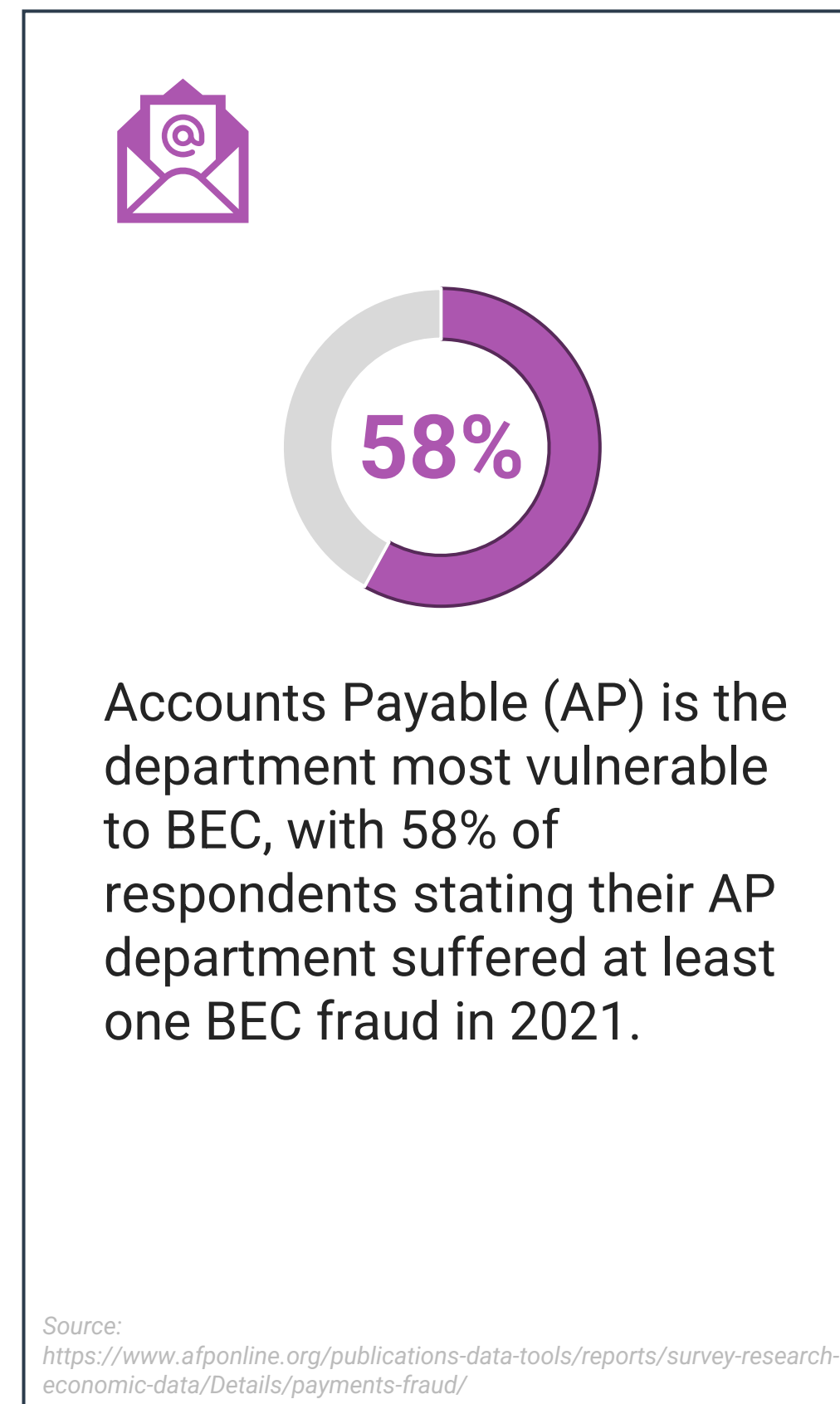
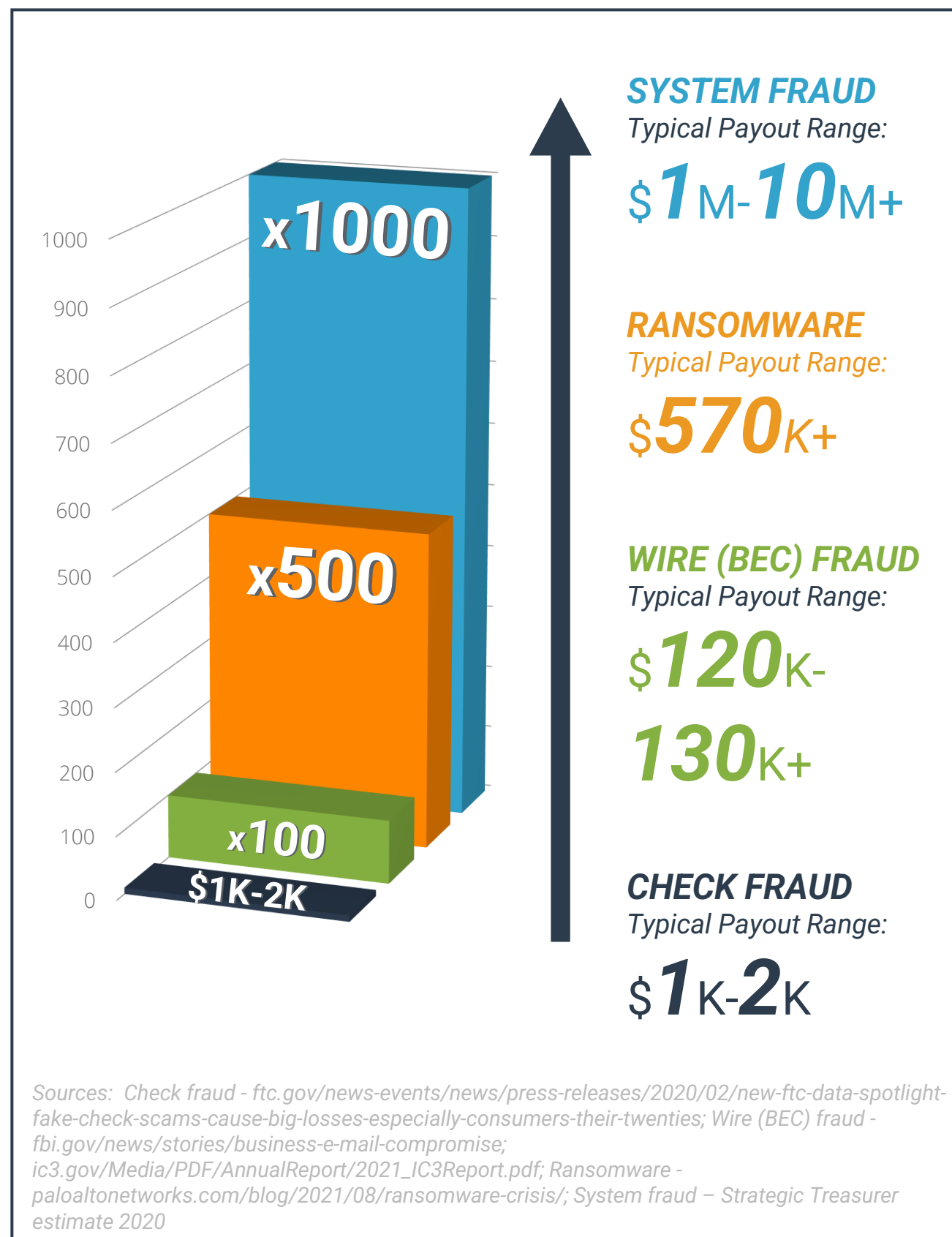
# POLL QUESTION

What fraud attacks/methods cause your organization a moderate to high level of concern?



# FRAUD

## ACCORDING TO THE NUMBERS



# SECURING PAYMENTS

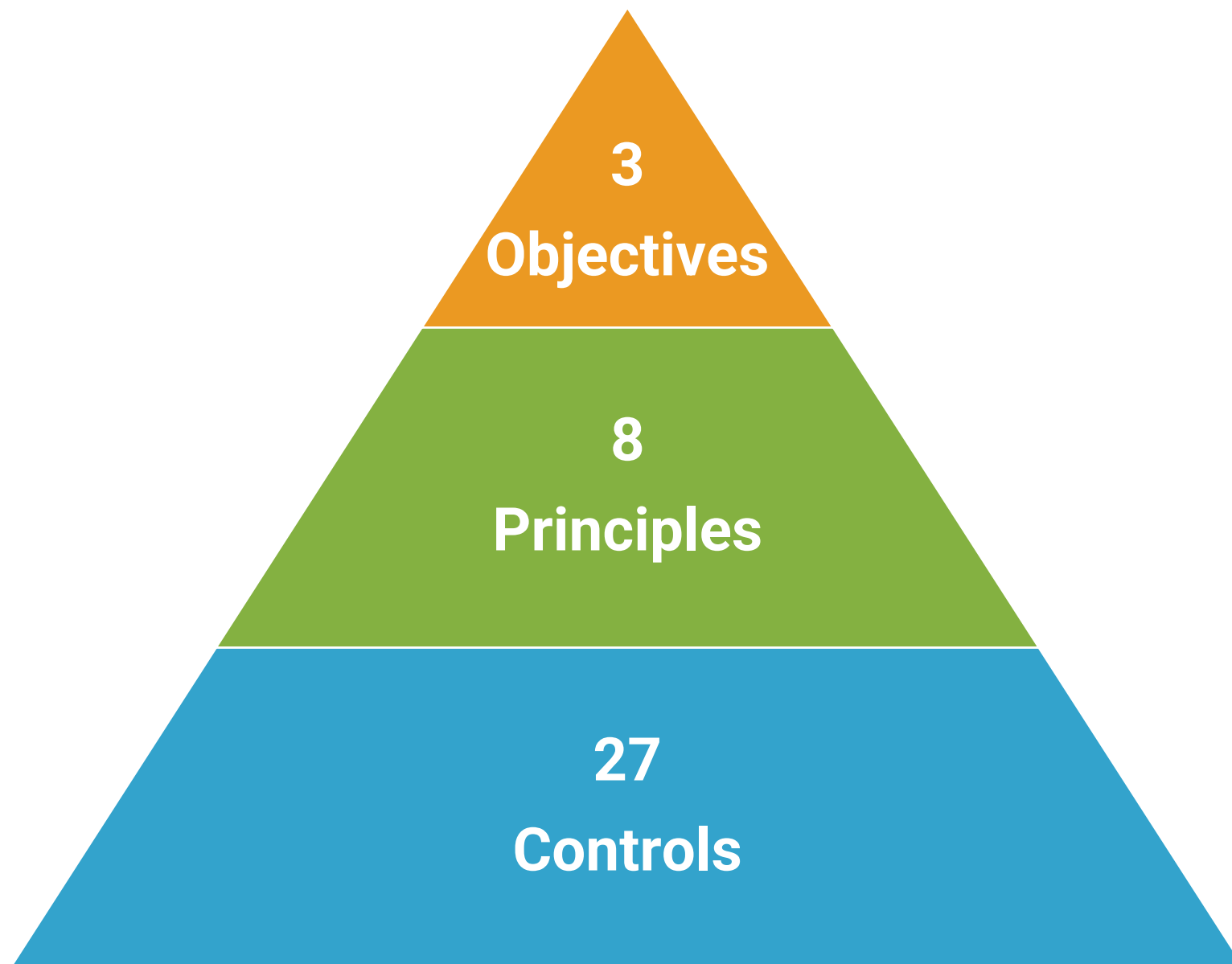
## FRAMEWORKS

Rail	Program Name	Since
Card	PCI-DSS	2004
Messaging SWIFT	Customer security program (CSP)	2016
ACH/EFT Nacha	Nacha - tokenization	2018



# SWIFT CSP

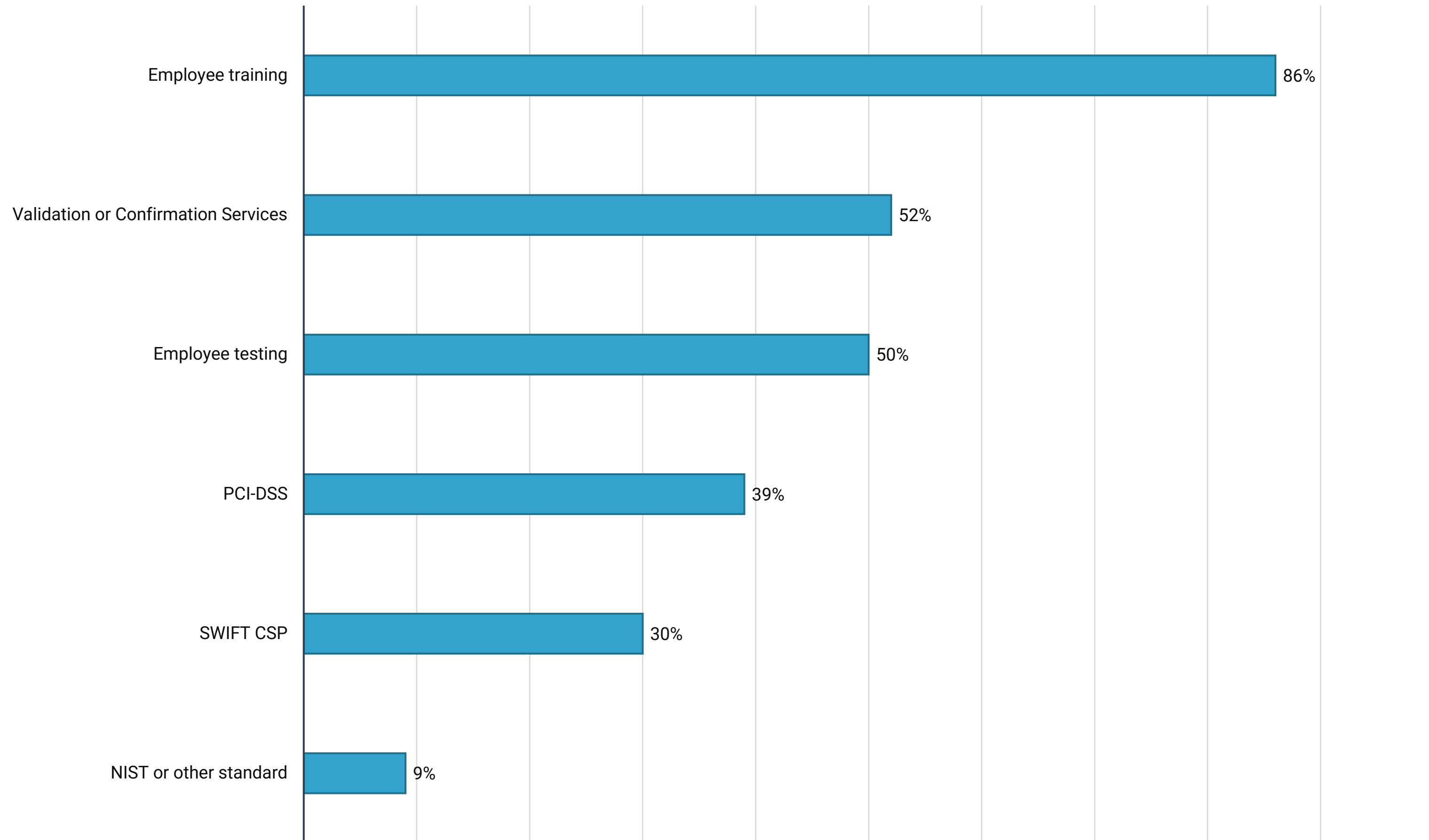
## SECURITY CONTROLS FRAMEWORK



OBJECTIVES	PRINCIPLES
<b>Secure your environment</b>	Restrict internet access
	Protect critical systems from general IT environment
	Reduce attack surface and vulnerabilities
<b>Know and limit access</b>	Physically secure the environment
	Prevent compromise of credentials
	Manage identities and segregate privileges
<b>Detect and respond</b>	Detect anomalous activity to system or transaction records
	Plan for incident response and information sharing

# POLL QUESTION

The formality of our security programs includes:



# SECURITY

## VARIOUS TYPES OF CONTROLS



### Encryption

- Encoding confidential info via keys
  - 1234 → X5!2
- Encrypted data not immediately useful
- Must have keys to decrypt
- Stealing data requires more work to make useful



### Tokenization

- Remove the confidential information and replace with a token
  - 1234 → 1943
- If stolen, useless
- Reduces surface area of attack



### One-Time Virtualization

- Virtual number is used for a purpose (single transaction)
- Easy to use
- Stealing number presents limited options
- Reduces surface area of attack



### Confirmation

- Positive pay
- Payee match positive pay
- Filtering
- Wire positive pay



### Lists and Community

- Validation



### AI/ML

- Anomaly detection
- Interdiction

Hides, removes or cloaks the data

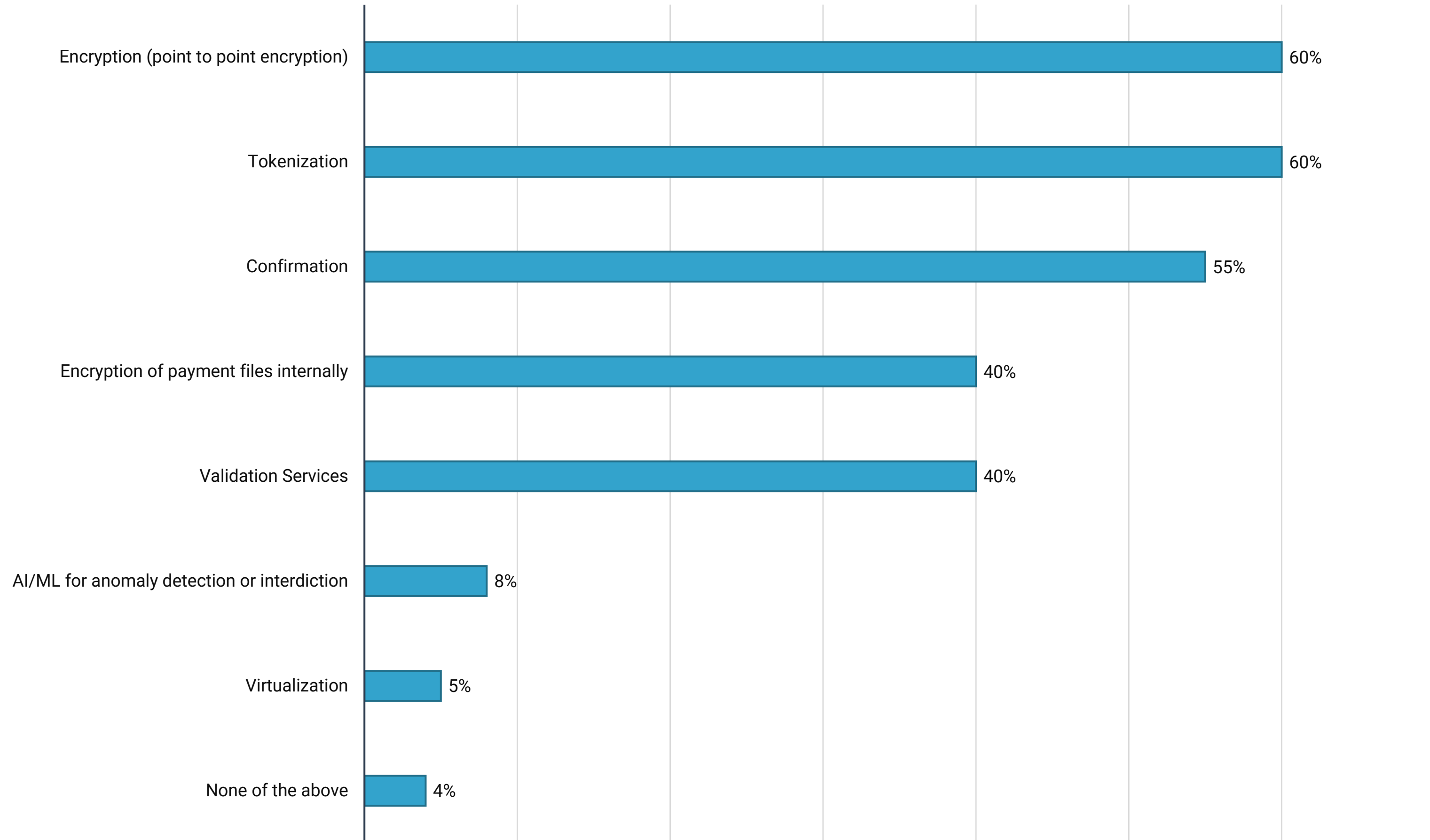
Additional validation or confirmation

Positive lists

Visibility and vigilance

# POLL QUESTION

In at least one of our payment processes we use the following:

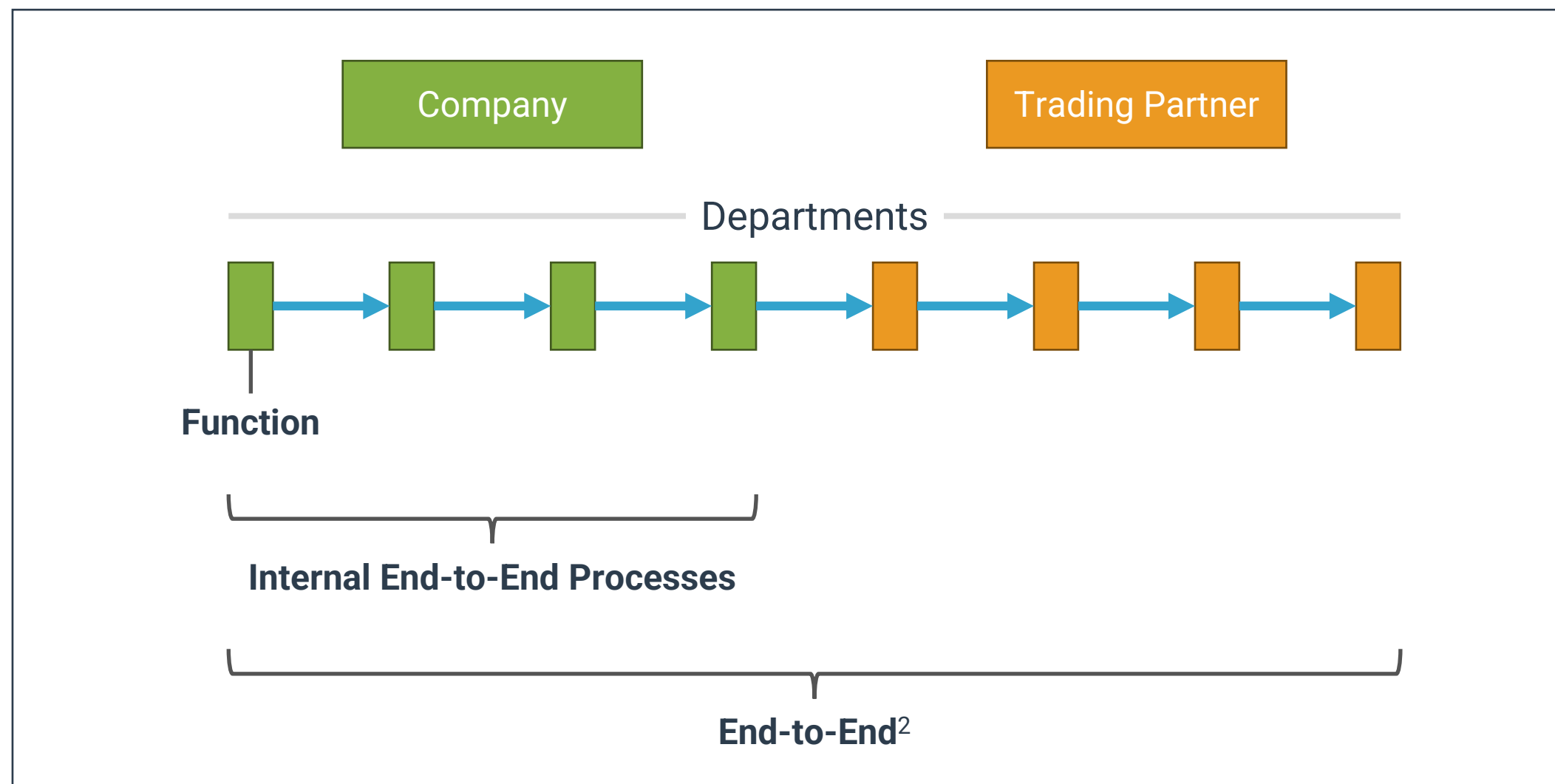


# EFFICIENCY

## HOW TO OPTIMIZE THE WHOLE

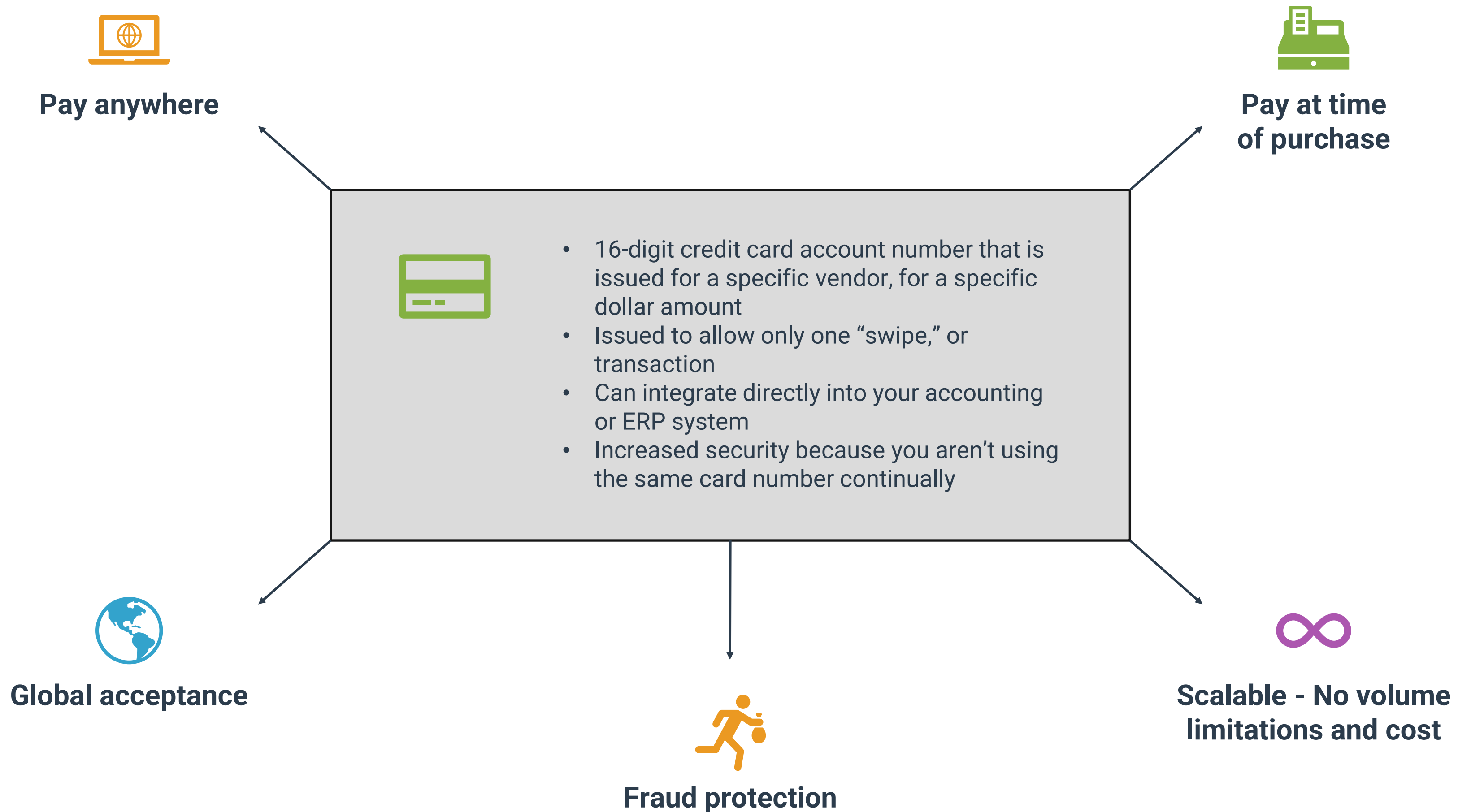
*Optimizing part of the process  
suboptimizes the whole.*

- Data on Efficiency - Drivers
- Remove Defects
  - Paper → Electronic
  - Handoffs → Straight Through Processing
  - Function → Internal Processes → End-to-End<sup>2</sup>



# VIRTUAL CARD

## FUNCTION AND BENEFITS



# FINAL THOUGHTS

## HOW TO PROCEED



### CHALLENGES BECOME MORE COMPLEX

- Attackers are:
  - Sophisticated
  - Automated
  - Patient
- Payouts are very lucrative



### PROCESS VIEW MATTERS

- Efficiency
- Handoffs are a point of:
  - Exposure
  - Inefficiency



### EXCEPTIONS BREAK EFFICIENCY

- Exceptions: costly
- Caused by bad processes
- Caused by manual processes and handoffs
- Impact time / money / working capital



### END-TO-END

- For control
- For efficiency
- Paper to electronic

# LET'S CONNECT

DON'T LET THE LEARNING END HERE...  
CONTACT US WITH ANY FUTURE QUESTIONS

Thank you for your interest in this presentation and for allowing us to support you in your professional development. Strategic Treasurer and our partners believe in the value of continued education and are committed to providing quality resources that keep you well informed.



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