

RPA Case Study: Auxis Uses UiPath Process Automation to Help Bank Block Wire Transfer Fraud



Client Profile

Our client is one of the largest community banks headquartered in Florida, with nearly \$8 billion in assets and more than 800 employees. For more than 40 years, it has provided individuals and businesses in the U.S. and internationally with a diverse portfolio of financial solutions, including deposit, credit, and wealth management services. The client maintains 24 banking centers in Florida and Texas and a loan production office in New York.

Business Challenge

Wire transfers represent the tool of choice for money launderers and fraudsters, with U.S. losses surpassing **\$439 million** in 2019. By comparison, the second-largest target was credit card fraud, triggering losses of \$135 million.

And wire fraud cases are **rising**: fraud related to wired real estate transactions alone experienced a 13% year-over-year increase in 2020, totaling more than \$220 million in losses, according to the FBI.

Since wire transfers are irrevocable, spotting potential signs of fraud before they are sent is vital for avoiding serious financial consequences and reputational loss for banks. In 2021, regulators imposed **\$1.9 billion** in fines on banks and financial institutions for violations of AML (anti-money laundering) rules alone – and that number is expected to increase this year.

Our banking client sends hundreds of wire transfers every business day. However, its fraud compliance process experienced several challenges, including:

- The **process for catching wire transfer fraud was manual, tedious, and outdated**, requiring a team to flag potential warning signs and validate information like recipient address.



- **Regulations forced fraud prevention audits to be completed quickly.** To comply with the Expedited Funds Availability Act (EFAA), U.S. financial institutions must make wire transfers available to recipients within one business day. However, banks and credit unions narrow the window with varied cut-off times for receiving daily wire transfers, which may differ from branch closing times and even cut-off times for deposits. The federal wire transfer tool also can only be used during set business hours.
- **Backlogs required other bank employees to step in.** If the number of transactions became too much for the team to validate, other bank employees had to set aside their own work to ensure the cue was cleared on time. This happened frequently on Monday mornings, where it wasn't unusual to see a backlog of hundreds of wire transfers waiting to be sent.

Auxis had previously supported the client to mitigate pain and reduce risks for **compliance, loan processing, and other areas** with **UiPath Robotic Process Automation (RPA)**: streamlining high-volume, standardized, rules-based processes that are prone to human error. The client recognized that **automating its process for detecting wire transfer fraud was essential to speed processing and improve the overall performance and reliability of the function.**

Solution & Approach

As a **UiPath Gold Partner** and one of the first organizations worldwide certified into UiPath's elite Preferred Services Network Partner program, Auxis was tapped to automate the client's fraud prevention audits.

Key solutioning steps included:

- The Auxis RPA team worked with the client to **identify all potential fraud scenarios**, such as wire transfers bound for countries flagged for high incidents of fraud.
- The team's **automated process screens all indicators for each scenario, triggering additional steps for the bot to follow upon detection.**
- **If a transaction is deemed potentially fraudulent, the bot alerts human staff to investigate.** Otherwise, the wire transfer is approved for sending.
- Most of the time, a single bot can handle the client's wire transfer compliance process. However, Auxis added the **flexibility to accommodate higher volumes with two additional bots that activate as needed** to ensure the transaction cue is always quickly cleared. When volumes don't require additional support, the extra bots are diverted to other tasks.



- The Auxis team understood that fraudsters constantly develop new strategies to evade detection. **It designed the client's bots so additional fraud scenarios can be added easily without forcing a complete redesign** and prolonged downtime.
- Robots are never a “set it and forget it” investment: since they follow a predetermined set of rules, process exceptions will inevitably occur that cause them to break. **To ensure the client meets stringent federal time requirements for wire transfers, an Auxis RPA support team monitors the compliance bots daily to ensure they remain up and running**

Results

Auxis successfully applied UiPath RPA to reduce the duration, reliability, and efficiency of the client's process for detecting wire transfer fraud. **The resulting automation quickly became the client's most-run bot.**

Key benefits include:

Faster Fraud Prevention Audits with 400%+ Faster Analysis

Automation increased the speed of the client's fraud prevention audits dramatically, with robots able to perform analysis more than 400% faster than human staff.



Scalable Solution Design Increases Capacity and Ensures Deadlines

Auxis' scalable solution enabled the client to easily keep pace when its average number of daily wire transfer transactions increased without missing deadlines or needing to hire more staff. Adding licenses for additional bots as volumes increase is significantly more cost-effective than hiring human staff.



Increased Reliability of Wire Fraud Reviews

Robots don't make mistakes, which minimizes rework and exceptions since compliance data is consistently captured and matched accurately. Bots can also centralize data into any reporting format required.



Internal Staff Focused on Complex, Higher-Value Activities

With the bot quickly approving or flagging most transactions, human staff is free to focus on complex situations that require more detailed investigation. Employees with other roles are also no longer required to temporarily abandon their own work to ensure backlogged volumes are cleared.

