

# Alacriti

## Inside Instant Payments: Community Banks and Credit Unions Share Their Stories



**Kathy Duffer**

VP, Payment Operations,  
First Internet Bank



**Amy Faley**

Manager of ACH,  
Veridian CU



**Cassandra Tucker**

Director of Operations,  
ABNB FCU



## With the rapid growth of transaction volumes

on The Clearing House RTP® network and the FedNow® Service, financial institutions are actively navigating the opportunities and challenges presented by instant payments. In the webinar [Real-World Experiences Offering Instant Payments: A Credit Union and Bank Panel Discussion](#), industry leaders from ABNB Federal Credit Union, First Internet Bank, and Veridian Credit Union shared firsthand insights from their operational journeys. Hosted by Mark Majeske, SVP of Faster Payments at Alacriti and a key figure in the design of the RTP network, the panel explored real-world experiences and actionable strategies covering topics ranging from operational challenges to accountholder satisfaction. Overall, the webinar provided practical guidance for institutions looking to harness the potential of instant payments effectively.



# Real-World Experiences Offering Instant Payments: Meet the Panelists

Here's a closer look at the panelists and the unique perspectives they brought to the discussion.

## **Mark Majeske, SVP of Faster Payments, Alacriti**

Mark Majeske, a key figure in the design and development of the RTP network at The Clearing House, now serves as SVP of Faster Payments at Alacriti. Introducing the session, Majeske explained the growing interest in instant payments and how institutions grapple with factors like operational challenges, fraud prevention, monetization strategies, and regulatory compliance. He also shared how Alacriti leverages its 20 years of experience to partner with financial institutions on their payments modernization journey, offering a [payments hub](#) solution that includes connection to various payment rails, including instant payments.



## **Kathy Duffer, VP of Payment Operations, First Internet Bank**

Representing First Internet Bank, Kathy Duffer brought the perspective of a fully branchless institution operating in all 50 states. Duffer shared the bank's innovative roots, founded 25 years ago by a tech entrepreneur rather than a traditional banker. This forward-thinking approach has positioned the bank as a leader in adopting new technologies.

Duffer emphasized the importance of faster payments in meeting customer expectations: "We knew that faster payments was the road we wanted to be on. We wanted to listen to what our customers were saying, but also what the market was telling us." She explained that cash liquidity and positioning were critical factors driving their adoption of real-time payments, which First Internet Bank implemented with Alacriti as a partner. Duffer described the partnership as "wonderful so far," adding that it has helped First Internet Bank remain on the cutting edge of financial technology.

## **Amy Faley, Manager of ACH, Veridian Credit Union**

With 18 years of experience at Veridian Credit Union, Amy Faley has extensive expertise in ACH, wire transfers, and real-time payments. Veridian, founded in 1934 as John Deere Employees Credit Union, now serves over 330,000 members nationwide with \$7 billion in assets.



Faley outlined the institution's key motivators, including member demand for quicker payments and partnerships with fintechs requiring real-time capabilities. Veridian went live with TCH RTP Receive in late 2021 and FedNow Service Receive in mid-2023, and they recently enabled Send functionality for their fintech clients and retail members. Faley shared that a large volume of their transactions come from platforms like Venmo and PayPal, with 42% occurring outside normal business hours, demonstrating the value of 24/7 payments. "The deciding factor to launch instant payments," Faley explained, "was really our larger fintech partners and member demand for faster money movement."

**Cassandra Tucker, Director of Operations, ABNB Federal Credit Union**

Tucker provided insights from ABNB Federal Credit Union, a community-focused institution with \$900 million in assets and over 80,000 members. ABNB's mission to serve underserved and low-income communities inspired their decision to implement instant payments. As a loan-designated credit union, ABNB recognized an opportunity to improve access to liquidity and earned wage access for their members.

Explaining their decision-making process, Tucker noted, "When we looked at both the need for people to have better control of their funds, better access to liquidity, and then we look at how do we fill that need, instant payments was a clear win for solving that problem for them." ABNB implemented Send and Receive functionality for both the RTP network and FedNow Service in 2024, quickly scaling transaction

volumes. Tucker pointed out the importance of monetizing Send functionality to sustain the payment rail financially, ensuring long-term value for their members.

## A Collaborative Exploration of Instant Payments

Each panelist shared unique insights from their institution's instant payments journey—detailing their successes and challenges. Whether addressing operational hurdles, fraud prevention, or monetization strategies, their shared experiences offer a practical roadmap for those looking to embrace the future of payments.



# PANEL QUESTIONS

## 1. *What considerations did you take into account when strategizing use cases, business cases, and plans for monetization?*

**Kathy Duffer, VP of Payment Operations, First Internet Bank**

Duffer explained that First Internet Bank's strategy was shaped by both customer demand and fintech partnerships. "We knew what our customers were asking for when they were asking about same-day ACH and how they can get their money movement faster," Duffer said. Recognizing the market's need for speed, the bank committed to offering real-time payments. Their fintech partners also played a crucial role, as they increasingly required faster payment capabilities to better service their own customers.

Fraud prevention was a key consideration for First Internet Bank. "We had to look at the fraud perspective and make sure that was something we could handle on our end," Duffer noted. Starting with Receive Only functionality allowed them to monitor usage and refine their approach as volumes increased. Duffer stated the broader benefits of real-time payments: "Rapid access to money, funds flow, and cash management without processing delays."

**Amy Faley, Manager of ACH, Veridian Credit Union**

Faley shared that Veridian Credit Union focused on addressing operational pain points and member expectations. One key aspect was improving the speed of loan payoffs and other transactions: "Those loan payoffs being sent out as a paper check—who wants to even do that anymore?" By adopting instant payments, Veridian was able to

deliver faster and more seamless money movement to enhance the member experience.

Veridian also prioritized supporting its fintech partners, who were increasingly turning to other institutions for real-time payment services. Providing a comprehensive set of payment options allowed Veridian to retain and grow these partnerships. "If we can provide them with that great experience of being able to move funds without much issue... that's helping us out," Faley explained.

On monetization, Veridian opted not to charge retail members for Send or Receive functionality, ensuring a seamless and cost-effective experience. They also implemented a layered fraud prevention strategy, including real-time transaction reviews and limits to ensure security.

**Cassandra Tucker, Director of Operations, ABNB Federal Credit Union**

Unlike Veridian, ABNB chose to monetize Send functionality, recognizing that members were already accustomed to paying for speed through platforms like Venmo and PayPal. "It made sense to charge for that so that we could start earning some of that revenue," Tucker noted. When an audience member asked about pricing compared to ACH origination and wire fees, she noted that ABNB sets the max fee below the wire fee to incentivize people to utilize that channel over wire for low-dollar transactions.

Fraud mitigation was a critical consideration for ABNB. Tucker emphasized the importance of a layered approach, incorporating real-

time fraud tools, multi-factor authentication (MFA), and third-party risk assessments. “We just had to sit down and do the work and then call on some experts to come check our homework,” she explained.

Operational efficiency was another driving factor for ABNB. With limited staff resources, the credit union needed to reduce manual intervention in payment processes. “Do you add bodies or FTEs, or do you find a way to be more efficient?” Tucker asked. By implementing a fully self-service instant payments model, ABNB streamlined operations without the need for staff involvement.

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## **2. Regarding your decision to move ahead with instant payments, why did you do it now?**

### **Amy Faley, Manager of ACH, Veridian Credit Union**

For Veridian Credit Union, the timing of their move to instant payments was largely driven by their fintech partners. “Our fintech partners were the driving force for us to really go live with real-time payments,” Faley explained. These partnerships brought an opportunity to monetize instant payments, allowing Veridian to cover program costs, including software and operational expenses, while also meeting member demand for faster payments.

Veridian is committed to offering a seamless experience for their general membership, so transfers and payments through online banking were provided at no cost. By addressing both member and fintech needs, Veridian was able to maximize the value of instant payments while ensuring financial sustainability.

Several webinar attendees asked for an example of what was being done to mitigate fraud. Veridian uses layered fraud prevention tools,

including BioCatch and Verafin, to proactively mitigate risks and make it possible to move forward with confidence.

### **Cassandra Tucker, Director of Operations, ABNB Federal Credit Union**

For ABNB Federal Credit Union, the decision to adopt instant payments was not a matter of “if” but “when.” Tucker sees instant payments as the future of money movement. “I think that most banks and credit unions are going to end up being faced with that decision. I don’t think instant payments are going anywhere.”

Adopting instant payments early allowed ABNB to get comfortable with the technology before the pressure to implement became unavoidable. “We wanted time to get comfortable and understand how it worked and make sure we can maintain it, manage it, and get our membership comfortable with it before the new use cases start coming down the pipeline,” Tucker shared. In addition, operational efficiencies played a critical role in the timing, helping ABNB address staffing challenges and improve overall workflows.

### **Kathy Duffer, VP of Payment Operations, First Internet Bank**

First Internet Bank’s decision to adopt instant payments was influenced by its forward-thinking culture. “One of the things that our CEO always said is the only constant is change,” Duffer shared. The bank’s leadership prioritized being an early adopter of real-time payments, viewing it as an opportunity to stay ahead in the industry.

Their fintech partners were another significant driving force. “They already had some of that with their other bank partners. So when they came and partnered with us, [they asked] why don’t you have real-time payments? Why aren’t you on these rails?” Duffer explained. First Internet Bank embraced the challenge and moved quickly,

becoming one of the early adopters of both the RTP network and the FedNow Service.

A memorable accomplishment on their journey was being part of one of the first transactions on FedNow in collaboration with Veridian Credit Union. “How cool is it to be able to say we were there, we did one of those first ones?” Duffer exclaimed.

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### **3. What were some of your pain points through your decision to move forward and the implementation process?**

**Cassandra Tucker, Director of Operations, ABNB Federal Credit Union**

Internal education was a key challenge for ABNB Federal Credit Union. Since members were not explicitly requesting instant payments, Tucker and her team had to make the case for its importance. “We had to make our entire organization understand why we needed to do this,” she explained. Educating stakeholders about why members needed faster payments—even when members weren’t vocal about it—was critical to gaining internal buy-in.

Significant effort was also spent on risk mitigation. While implementing fraud controls required careful planning, the implementation itself was straightforward: “This was probably one of the easiest implementations I think I’ve ever done... as long as you do the pre-work and you go into it with a plan,” Tucker shared. For ABNB, the main hurdles overall were internal education, risk management, and ensuring organizational alignment.

**Kathy Duffer, VP of Payment Operations, First Internet Bank**

For First Internet Bank, selecting the right vendor was a critical pain point. The bank initially partnered with a vendor that didn’t meet their

needs, delaying progress. However, switching to Alacriti significantly simplified the process. Duffer described the transition as seamless, adding, “Just like Tucker said, it was the easiest implementation that we have ever done.”

Beyond vendor selection, Duffer emphasized the importance of cross-departmental collaboration. “There are different stakeholders in the company that need to be on board, too,” she explained. Departments such as marketing, fraud, and compliance all needed to align to ensure the successful rollout of instant payments. While the operational aspects required effort, Duffer reiterated the importance of thorough planning and risk assessments to streamline the process.

**Amy Faley, Manager of ACH, Veridian Credit Union**

Veridian Credit Union’s biggest challenge was developing a sustainable monetization model. Veridian needed to strike the right balance to attract fintech partners while simultaneously ensuring a return on investment. “We decided it doesn’t need to be as expensive as a wire, but it definitely needs to be more expensive than a same-day ACH,” Faley explained. The solution involved a tiered pricing model, where transaction costs decreased as volume increased.

Fraud management was another significant challenge. It was crucial that fraud prevention measures didn’t overwhelm compliance teams. There was also operational complexity of handling different use cases for members and fintech partners. For example, while members could access real-time payments through online banking, fintech partners required customized solutions to handle large transaction volumes. “Understanding your use cases and understanding how you’re going to get those transactions through the networks...those were huge,” Faley noted.



#### 4. Can you share some of the lessons learned while implementing instant payments?

**Kathy Duffer, VP of Payment Operations, First Internet Bank**

The importance of API connectivity was one of the biggest lessons learned. “The API connectivity that Alacriti shared with us...integrated into our core system extremely well,” Duffer explained. This addressed the need for alignment between the API, core systems, and online banking providers. Without this connectivity, implementing instant payments would be virtually impossible.

It was also important to First Internet Bank that all payment rails work together seamlessly. “Our goal was to get one hub for all of our payment rails,” Duffer shared. Achieving this required a careful evaluation of vendors and their capabilities. Duffer urged institutions to assess whether their vendors can meet their needs and to remain open to switching providers if necessary.

**Amy Faley, Manager of ACH, Veridian Credit Union**

For Veridian Credit Union, understanding use cases and processes was a key lesson. “Know your use cases and understand how you think you're going to get there,” Faley advised. This includes determining how transactions will flow, interact with fraud software, and how various departments will be impacted.

Cross-department collaboration was also essential for Verdian. “Get them on board right away, get their thoughts, get their concerns, and make sure that everybody's a part of that decision,” Faley said.

She encouraged institutions to involve all relevant teams early in the process to avoid unforeseen roadblocks.

Another takeaway was the need to lean on expert guidance from partners like Alacriti. “Ask a lot of questions...they should be the experts,” Faley advised. To Faley, it was valuable to work with a knowledgeable vendor to address challenges and navigate the complexities of implementation.

**Cassandra Tucker, Director of Operations, ABNB Federal Credit Union**

Tucker shared three key lessons ABNB Federal Credit Union learned during their instant payments journey:

1. **System Connectivity:** Understand how systems interact, including core systems, online banking, and other integrations. Failing to address connectivity issues early can lead to unexpected roadblocks.
2. **24/7 Network Requirements:** Instant payments require institutions to operate continuously, which impacts maintenance schedules. Tucker recounted a moment of realization: “I couldn't believe that I hadn't connected those two pieces...planning for that ahead of time is crucial.”
3. **Partnership Matters:** Tucker recommended working with a true partner rather than just a vendor, as Alacriti's expertise and support were instrumental in ABNB's success. The collaborative relationship made a significant difference during implementation. “For something like this, a partnership is really important,” Tucker said.



## 5. Any last-minute suggestions for those considering instant payments?

**Amy Faley, Manager of ACH, Veridian Credit Union**

Faley encouraged institutions to take action in light of the long-term growth and utility of instant payments. “If you’re considering it, it’s likely that you should just do it,” Faley said. While some may have initially questioned whether instant payments would become a lasting trend, they continue to expand and become more relevant. She pointed out that instant payments not only benefit members but also create internal efficiencies and opportunities for monetization.

**Cassandra Tucker, Director of Operations, ABNB Federal Credit Union**

Echoing Faley’s sentiment, Tucker urged institutions to move forward, stressing that instant payments are here to stay. “This is happening. And this is going to be a standard offering that I think every financial institution is going to have to do at some point.” Tucker urged financial institutions to adopt instant payments now to get ahead of the curve rather than waiting until it becomes a competitive necessity.

Tucker also addressed the misconception that implementing instant payments is overly complex or resource-intensive. “The lift isn’t what people think it is. It’s really easy to implement,” Tucker shared, adding that ABNB manages the program with no additional full-time employees.

**Kathy Duffer, VP of Payment Operations, First Internet Bank**

Duffer agreed that institutions should “just go for it.” She likened instant payments to foundational offerings like wires, ACH, and checks, asserting they will soon become table stakes for financial

institutions. Regarding implementation, Duffer shared her experience that with the right partners and planning, the process is far less daunting than many would anticipate.



As the panelists discussed, implementing instant payments is not as arduous as one might expect and, instead, is essential for staying competitive. Solutions like Alacriti’s [Orbipay Instant Payments](#) enable financial institutions to access instant payment rails, such as TCH’s RTP network, FedNow Service, and Visa Direct, with flexible pricing models that scale with their needs. By delivering modern money movement experiences, Orbipay helps FIs maintain Primary Financial Relationship (PFR) status, reduce the risk of deposit displacement, and mitigate customer churn. Financial institutions that act now to adopt instant payments can not only meet the heightened consumer demands for speed but also position themselves as leaders in delivering transformative digital experiences and unlocking new opportunities for growth.



To learn more about how real banks and credit unions have overcome operational hurdles in implementing real-time payments, watch the full webinar, [Real-World Experiences Offering Instant Payments: A Credit Union and Bank Panel Discussion](#), featuring ABNB Federal Credit Union, First Internet Bank, Veridian Credit Union, and Alacriti.

Alacriti's centralized payment platform [Orbipay Payments Hub](#), provides innovation opportunities and the ability to make smart routing decisions at the financial institution to meet their individual needs. Financial institutions can take full ownership of their payments and control their evolution with ACH, Wire, TCH's RTP® network, Visa Direct, and the FedNow® Service, all on one cloud-based platform. To speak with an Alacriti payments expert, please [contact us](#) at (908) 791-2916 or [info@alacriti.com](mailto:info@alacriti.com).

WEBINAR PLAYBACK

**Real-World Experiences Offering Instant Payments: A Credit Union and Bank Panel Discussion**

Panel discussion hosted by:  
**Mark Majeske**  
SVP Faster Payments, Alacriti

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