Information Highways & Byways

Wayne Kissinger, CTP
Suntrust Bank
Group Vice President –
Treasury Management
Sales

Anita Patterson, CTP
Cox Enterprises, Inc.
Director-Treasury
Services & Patriot Act
Compliance Officer

Agenda

- **Importance of Information**
- **Delivery of Funds**
- **Delivery of Data**
- **Delivery of Information**
- **Security**
- **Summary**
- **Questions**

AFP® Annual Conference

Association for
Financial Professionals®

Importance of Information

- **Why is information so important?**
  - Provides a competitive edge – to those who delivery it & those who use it
  - Allows for integration into day-to-day business operations
- **Responsiveness &** *timelines of delivery* **are crucial to businesses**

Importance of Information

- **Why is timeliness a factor?**
  - Faster response to business opportunities
  - Able to make better business decisions
- **Expectation is that banking information be almost "real-time"**
  - Today time frames are measured in minutes…or less

Association for
Financial Professionals®

What are we trying to accomplish?

- **Delivery of funds**
- **Delivery of data**
- **Delivery of information**

The key to all messaging is:

Delivery

"The act of conveying to the intended recipient"

Delivery

- **On the physical highways & byways we have DHL, UPS, FedEx**

- **On the virtual highways & byways we have the internet, email, servers, clouds, etc.**

- **So how do we get delivery of what we need when we need it?** *(funds, data, info)*

Association for
Financial Professionals®

Delivery of Funds

- **How do we do it today?**
- **What works?**
- **What could be better?**
- **Where do we go from here?**

Association for
Financial Professionals®

Delivery of Funds

How do we do it today?

The Funds

- **Cash**
- **Check**
- **Wire**
- **ACH**
- **Card**
- **Mobile**

The Funds Delivery
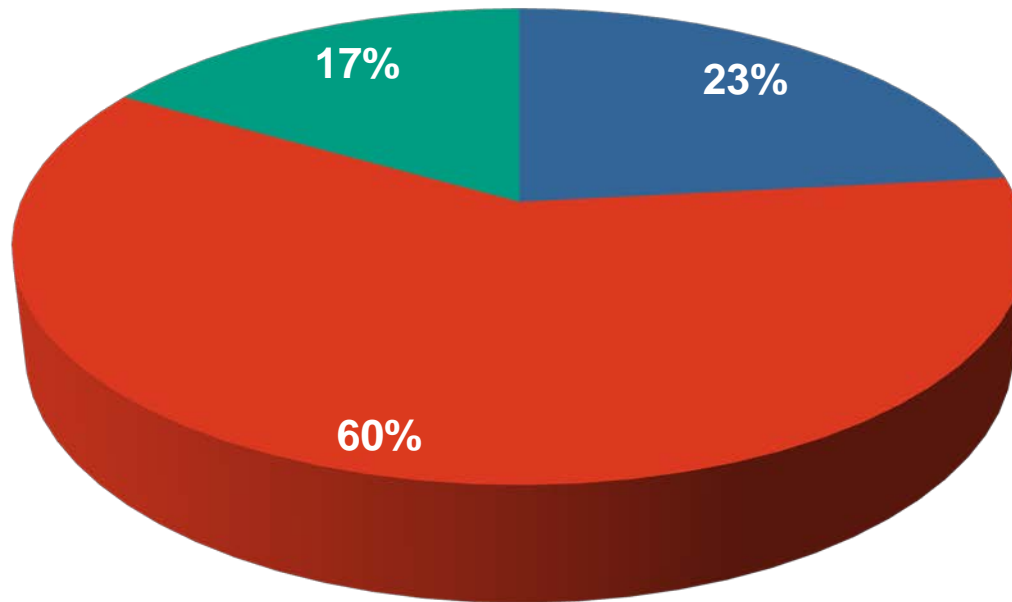
- **Treasury Workstations**
- **Bank websites**
- **Combination**

Association for Financial Professionals®

Delivery of Funds

RECEIPT OF FUNDS INFO TODAY

■ Pulled from Treasury Workstation ■ Pulled from each bank website ■ Combination Treasury Workstation & bank websites

- 23%
- 60%
- 17%

AFP® Annual Conference

Association for Financial Professionals®

Delivery of Funds

- **What works?**

  They all work

  – Matter of preference
  – Matter of technology capabilities
  – Matter of education

Delivery of Funds

- **What could be better?**
  - Same-day ACH
  - Broader acceptance of cards
  - International ACH
  - Mobile
  - Dollars & data traveling together

Association for
Financial Professionals®

Delivery of Funds

- **Where do we go from here?**
  - Better accessibility to Treasury Work Stations?
  - Mobile apps?
  - Really virtual?
  - Why do the funds need to move at all?

Association for
Financial Professionals®

Delivery of Funds

PREFERRED RECEIPT OF FUNDS

■ Pull from Treasury Workstation ■ Pull from each bank website ■ Combination Treasury Workstation & bank websites
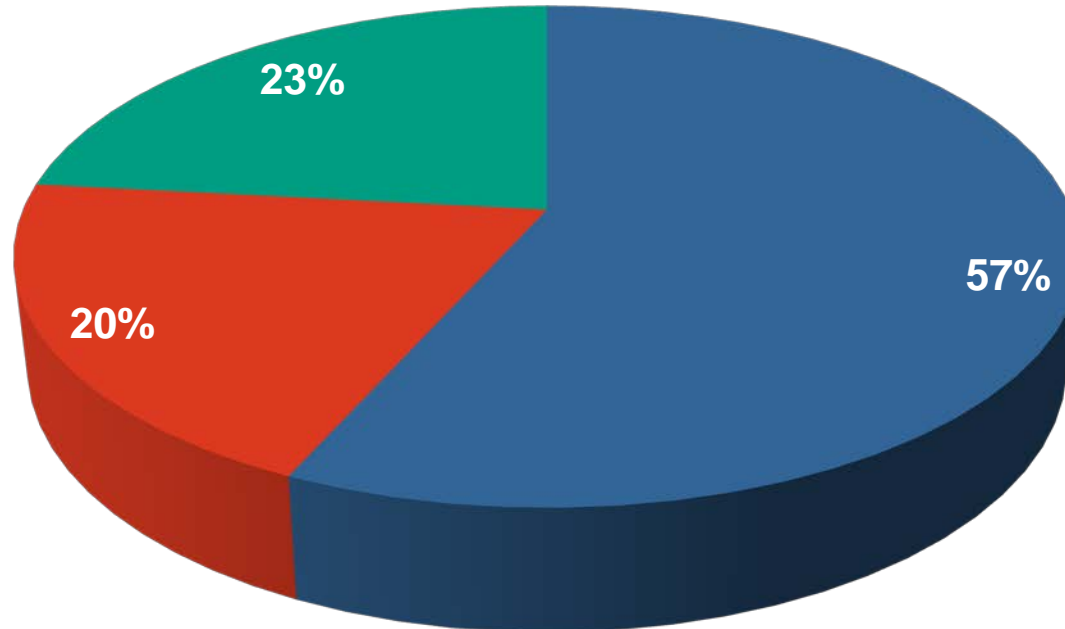
- 23%
- 20%
- 57%

Association for
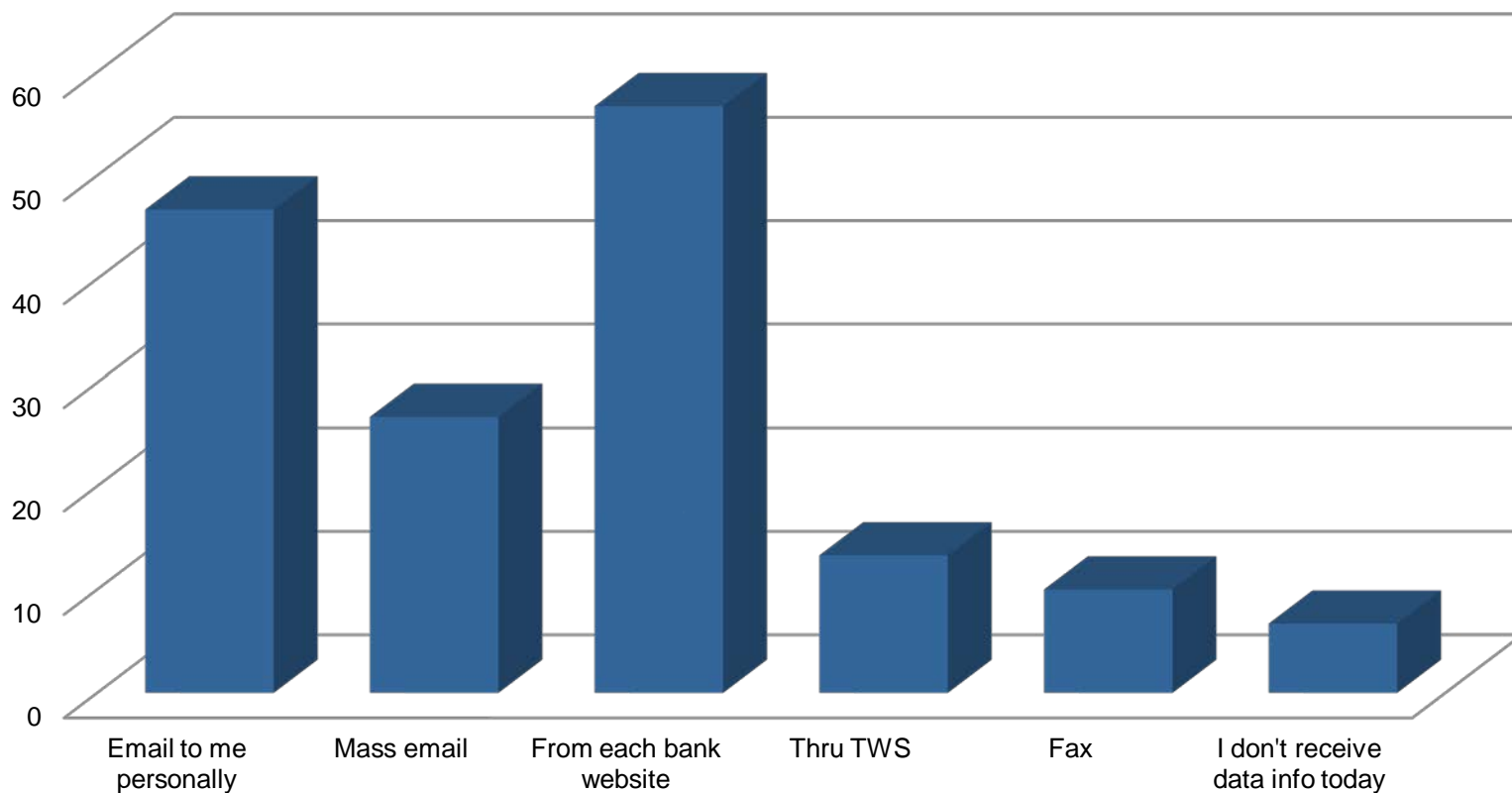Financial Professionals®

Delivery of Data

- **How do we do it today?**
- **What works?**
- **What could be better?**
- **Where do we go from here?**

Delivery of Data

- **How do we do it today?**
  – Fax

  – Electronic

  – Image

  – CD/DVD

  – Mail/Messenger

  – Thru Treasury Workstation

Delivery of Data

RECEIPT OF DATA INFO TODAY

Association for
Financial Professionals®

Delivery of Data

- **What works?**
  - It all works
  - Electronic
  - Image

Association for
Financial Professionals®

Delivery of Data

- **What could be better?**
    - The ability to provide _meaningful_ data with the dollars
    - Setting standards
        - **Domestic**
        - **International**
    - Timing
    - Elimination of all paper
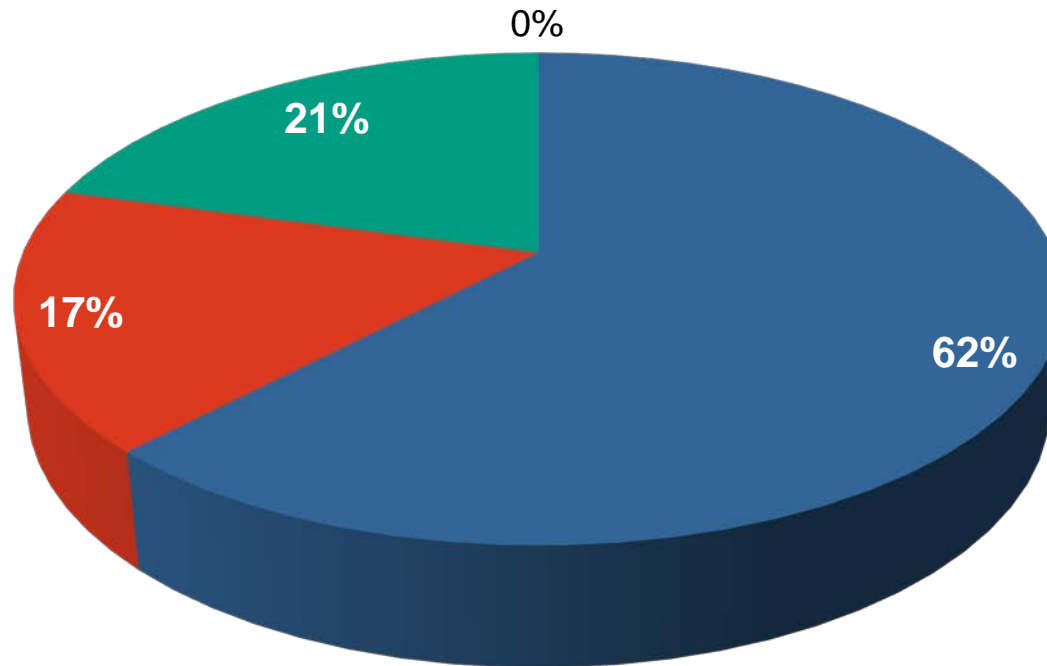   - Straight-thru processing

Delivery of Data

- **Where do we go from here?**
  - Embedding data
  - Formatting data to be able to use it once it is received
  - A data blog
  - Bank doesn't send the data at all - you go look for it

Association for
Financial Professionals®

Delivery of Data

PREFERRED RECEIPT OF DATA

Legend: ■ Email to me personally ■ Mass email ■ From each bank website ■ Fax

- 0%
- 21%
- 17%
- 62%

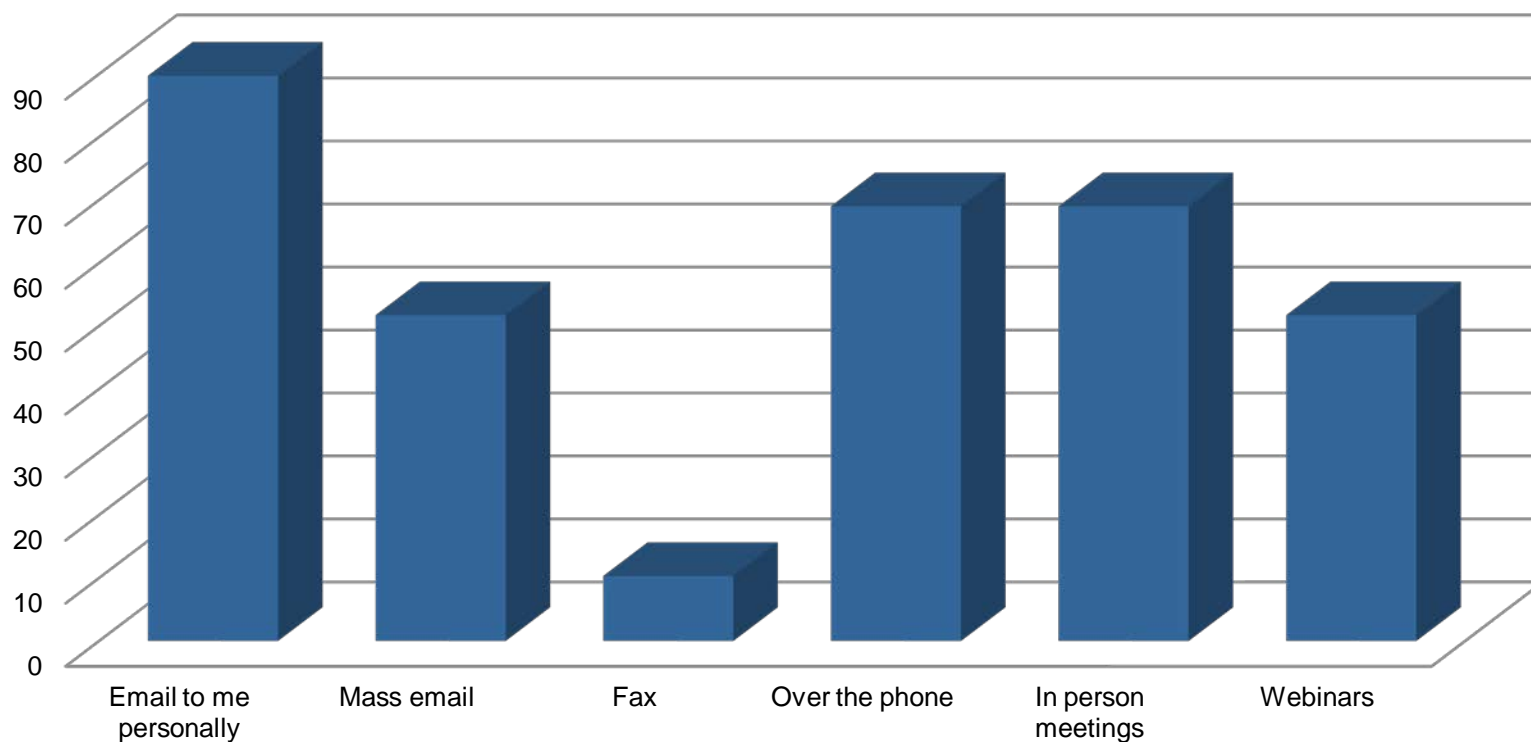Association for Financial Professionals®

Delivery of Information

- **How do we do it today?**

- **What works?**

- **What could be better?**

- **Where do we go from here?**

Delivery of Information

- **How do we do it today?**
  - Publication (internal, external)
  - Emails, phone calls, letters, text
  - Meetings (in-person, webinars…)
  - PCs, laptops, iPads, iPhones, Droids…
  - Twitter, Facebook, Tweet

Association for
Financial Professionals®

Delivery of Information

RECEIPT OF INFO TODAY
(i.e. new products, higher fees, etc)

Association for
Financial Professionals®

Delivery of Information

- **What works?**

  - **Clear & concise information**

    - When it is timely
    - When it is useful
    - Where it is useful
    - How I need it so I can use it

Association for
Financial Professionals®

Delivery of Information

- **What could be better?**
  - Educating people on how to communicate
  - Respecting others' time
  - Sorting out what is necessary and what is not
  - Learning how not to over communicate
  - Efficiently using today's medium

Association for
Financial Professionals®

Delivery of Information

PREFERRED RECEIPT OF BANK INFO

- Email to me personally
- Mass email
- Fax
- Over the phone
- In person meetings
- Webinars

Association for
Financial Professionals®
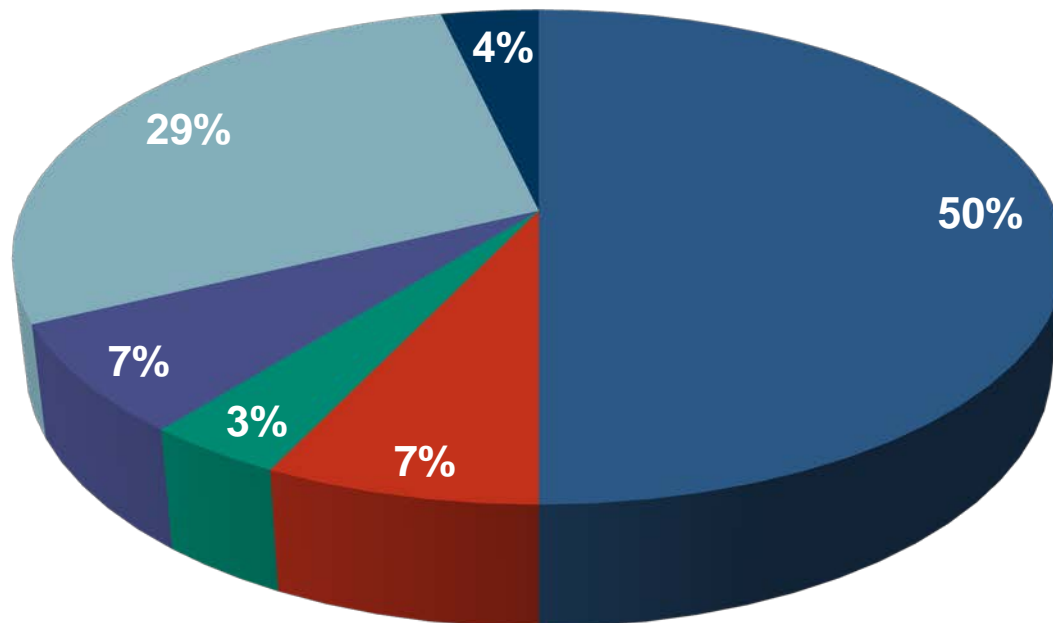
Delivery of Information

- **Where do we go from here?**

"I want it when I want it,
how I want it &
where I want it!"

Association for
Financial Professionals®

Delivery of funds, data info…

- **Where do we go from here?**
  - **Mobile Banking** - Secure & convenient way to access accounts from mobile device
  - **Cloud** - A model of networked <u>online storage</u> where data is stored in virtualized pools of storage which are generally hosted by third parties

AFP® Annual Conference

Association for
Financial Professionals®

Delivery of funds, data, info…

- **Mobile Banking**
  - Use your iPhone, iPad, Droid…
  - Check balances
  - View transactions
  - Approve transactions
  - Make transfers
  - And whatever else you want it to do!

Association for
Financial Professionals®

Delivery of funds, data, info…

- **Cloud**

5 Essential Characteristics	Four Deployment Models	Three Service Models
On-demand service	Private Cloud	Software as a service
Broad network access	Community Cloud	Platform as a service
Resource pooling	Public Cloud	Infrastructure as a service
Rapid elasticity	Hybrid Cloud	
Measured service		

Information from NIST Publication 800-145
Used in presentation to AFP PAG 6/12 by ZwillGen & 3Delta Systems

Association for
Financial Professionals®

Delivery of funds, data, info…

Examples of Financial Services in the *Cloud*

- **Banking**
- **Credit card processing**
- **Tax calculation**
- **Treasury workstation**
- **Payroll**
- **Sales force automation**
- **SEC Filings / IR**
- **Billing / EIPP / Bill Presentment**
- **Procurement cycle**

- **Remote data capture**
- **Check21**
- **Image processing**
- **Accounts payable / AR**
- **ACH Processing**
- **Discount management**
- **Compliance services**
- **Pension / retirement account management**
- **And many more…**

Cloud services may be consumed internally by Finance pros in the performance of their functions, but can also be financial services presented to the organization's clients, customer, or trading partners

From presentation to AFP PAG 6/12 by ZwillGen & 3Delta Systems

How Safe is Safe

With all technology there are risks – and most especially with "new" technology

Mobile

- **Who owns the account?**
  - Bank-centric or Non-bank centric
  - Traditional bank authority or telecommunications authority
- **Traditional risk**
  - Interception of traffic
  - Malware on mobile device
  - Masquerade attacks
- **Emerging risk**
  - Money laundering
  - Terrorist funding

Promising and seductive, but uncertain

Mobile Payments:Risk, Security, and Assurance Issues
ISACA Emerging Technology White Paper, November 2011

Association for
Financial Professionals®

How Safe is Safe

With all technology there are risks – and most especially with "new" technology

Cloud

- **The agreement with the provider**
- **Security, compliance & privacy issues**
- **Availability (uptime)**
- **Storage management**
- **Data protection**
- **Insecure interfaces**

Giving up control
does not mean
you have to compromise
on security IBM

Association for
Financial Professionals®

How Safe is Safe

With all technologies there are risks - even with "traditional" technology

- **Secure/encrypted messaging**
  - Encryption of IDs & passwords
  - Encryption of all communication
- **Security Features**
  - IDs & passwords
  - Firewalls & network security
  - Inactivity time out
  - Security challenge questions
  - Tokens – good or bad?
- **Out of Band Authentication**
- **IP blocking**
- **High risk transaction alerts**
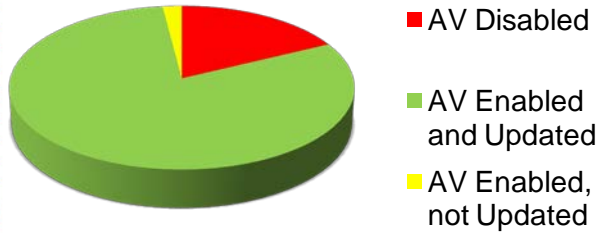- **Contractual agreements**

Association for
Financial Professionals®
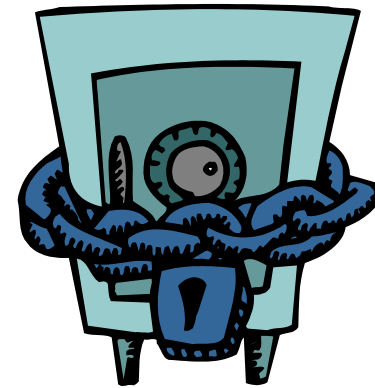
How Safe is Safe?

- **Attackers point toward clients**
  - As banks spend more money on security and fraud
  - As "consumerization" of IT continues
  - As more businesses adopt BYOD (Bring Your Own Device)

- **Attackers focus on social media**
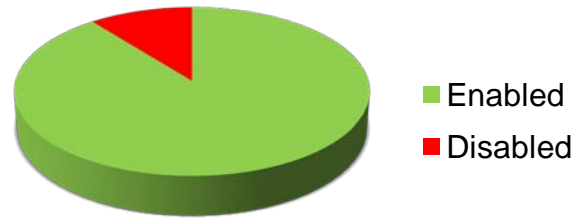 - Information used to perpetuate fraud

Best way to combat fraud is continued partnership between banks and clients

Association for
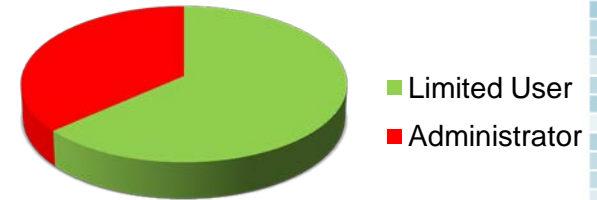Financial Professionals®
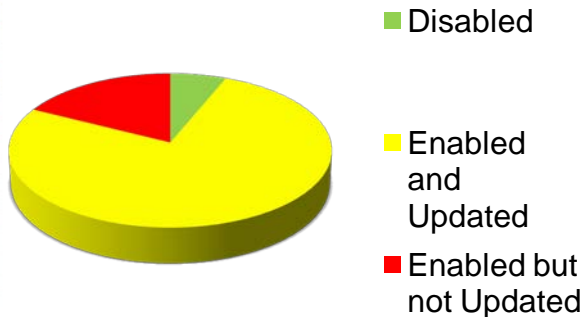
How Safe is Safe?

Antivirus

- AV Disabled
- AV Enabled and Updated
- AV Enabled, not Updated

Firewall

- Enabled
- Disabled

Local User

- Limited User
- Administrator

Only as safe as you make it!!

Java Updated

- Disabled
- Enabled and Updated
- Enabled but not Updated

Adobe Reader

- Disabled
- Enabled and Updated
- Enabled but not Updated

Adobe Flash

- Disabled
- Enabled and Updated
- Enabled but not Updated
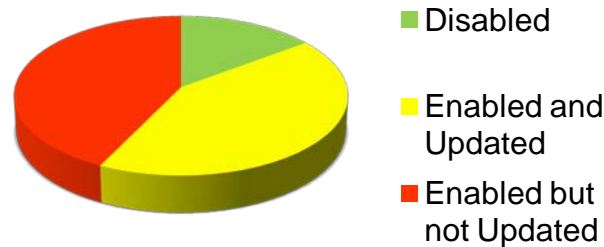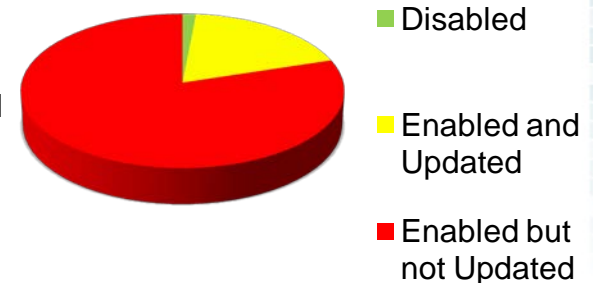
Findings of study by SunTrust

Association for Financial Professionals®

Summary

Banks Should…	Corporates Should…

Banks Should…

- **Listen to your clients**
- **Let your clients know what's available**
- **Keep up with technology**
- **Know your clients well enough to know what will work for them**

Corporates Should…

- **Tell your bankers what you want**
- **Listen to your bankers' suggestions**
- **Mitigate risks – use controls**
- **Realize that the newest may not be the best or safest**

And if all else fails – pick up the ☎ !!!!

Association for Financial Professionals®

Questions

Contact Information

Wayne Kissinger, CCM
Group Vice President, SunTrust
wayne.kissinger@suntrust.com
404.586.6421

Anita Stevenson-Patterson, CTP
Director of Treasury Operations &
Patriot Act Compliance Officer,
Cox Enterprises, Inc.
anita.patterson@coxinc.com
678.645.4840

AFP® Annual Conference

Association for
Financial Professionals®