

Early Concept Document

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V.I.D.A.—Virtual Information Document Access CONCEPT DOCUMENT



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THE OPPORTUNITY

As the world continues to rely on electronic conveniences and the use of mobile and laptop devices becomes more of an extension of everyday life, the need to create a convenient electronic storage process becomes more relevant. Members and small businesses are looking for a long-term way to store their sensitive data safely. Credit Unions, as highly trusted partners, are well-positioned to cater to the online secured data repository demand for personal, legal and financial documents.

THE SOLUTION

In the brick and mortar world, where online account access, online bill pay and online personal financial management programs are significant member retention tools, electronic safe deposit boxes are the next logical offering in online financial services.

V.I.D.A. (Virtual Information Document Access) is an Internet-based storage area for both paper and digital files and data. Members are able to use the Internet to access important documents 24 hours a day, seven days a week, from any computer or smart phone in the world.

Members with V.I.D.A. can use it to store everything from digital photos to important computer files. With a document digitalizing system, members also can fax or scan paper documents, such as insurance policies, home mortgage documents, wills, birth certificates, pay stubs, etc., and store them online. Members would be able to make copies of their valuable documents and easily add them to an online site, with the credit union certifying the authenticity of such copies, and even guaranteeing that the original is in safekeeping in the member's real safe deposit box. Of course, the member will have a granular level of control – regarding who should be able to access individual documents (via access codes), and the level of access the people with these codes should have (read, write, update, delete).

Most banks and credit unions have safe deposit boxes for the safekeeping of valuables. Often those consist of share certificates, bonds, titles (certificates of ownership), legal documents, and other forms of valuable paper. In order to access the contents of their box, members have to physically make a trip to their financial institution, get the document and have a certified copy made, then take (or mail) the copy to a third party, etc. **This is a time-consuming and redundant process in today's world, and it does not work well if members need access to their documents after hours, or while they are out of town.**

V.I.D.A. will open up many possibilities. In addition to safeguarding and digitizing their important papers, a member could use this online tool for:

1) **Medical Records**—Members could require medical suppliers to post their medical history here, leaving members in control of their personal information. A member could even carry a tag around his wrist with instructions on how to access medical records in case of an emergency.

2) **Backup Storage**—Many online backup sites have come and gone. Most larger credit unions have extensive storage and retrieval systems, and are ideally suited to provide such a service.

3) **Audit Trail**—The Internet has created a whole new class of interpersonal transactions between parties who do not know each other, for instance on eBay or Amazon's Z-Shops. These larger companies supply such audit trails through their systems. However, in many cases there is a need for individuals to be able to capture conversations in chat rooms, bulletin boards, or via instant messenger applications.

For credit unions, this should provide a new revenue source. After all, such a system could be both subscription based (for basic functionality) and fee based (for the use of advance functions – like certifying a specific document).

TARGET MARKET

The target for this product would be someone who is comfortable using e-services (such as online bill payment and online financial management tools) and would prefer to keep important documents, organized, accessible, and safe. A secondary target group is small business members, community organizations, and select employee groups.

CONSUMER BENEFITS

- *Convenience*- members will have 24 hour a day access to their important personal information anywhere they have internet capabilities
- *Security*- the service will include a multitude of security standards; multi-layered authentication, concentrated encryption process, reliable file back-up system
- *Privacy*- no credit union employee will have access to any files members will load (unless responding to legal matters)
- *User Friendly Process*-Simple, easy to use set – up process, friendly user guide, and educational resources to help members manage their documents appropriately

CREDIT UNION BENEFITS

Strengthen Member Relationships

- New, additional service to provide to members
- Sticky service – members are less likely to go to another institution if all of their important documents are stored electronically and only accessible via the Credit Union
- All age demographics would be served—most notably Gen Y and Millennials
- A safe(r) place for members to store their most prized/important digital documents
- Protection, piece of mind, confidence knowing they're prepared to pass along necessary information and documents to their heirs or caregivers

Income Generation

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- Perhaps provide a certain amount of online storage free (1 gigabyte) and charge for additional storage if needed beyond that amount
 - A monthly or annual fee (similar to a safe deposit box fee)
 - Attract new member relationships looking for this type of service
 - Referrals to brokerage/trust areas for estate planning

Strategic Fit

- Credit Unions are *the* trusted partner for members' financial success. This concept builds upon that very tenant.
- Many credit unions are looking to attract younger members. This concept virtualizes the safe deposit box and for younger members who are comfortable with electronic technology, this solution provides them another reason to consider the credit union over other competitors.
- Many credit unions have a strong consumer education focus. This concept provides valuable information about what should be stored electronically and why. Positions the credit union as a go-to partner for assistance in identifying important documents as well as the repository for securely storing those important documents.

Low Cost Deployment

- Able to offer with little regulatory/compliance risk
- Once established, the uploading, storing and retrieval of documents does not involve any operational staff of the credit union.
- The storage service can be done either through a third party or within a credit union's existing infrastructure. Additional storage capacity may need to be added if provided within the operating structure of the credit union, but economies of scale would seem to be available.

OPERATIONAL AND OTHER CONSIDERATIONS

Security/Potential Liability Concerns

- This service positions a credit union as the source/destination for important documents. Should these documents be compromised, or accessed by unauthorized personnel, the reputation risk to the credit union could be substantial (this may be the very reason why the industry has yet to adopt this service).
- The most elaborate, secure protection for this online storage service will be paramount.
- Although it could be mitigated with appropriate disclosures, since the credit union will be providing guidance as well as actual storage of important documents, the credit union will need to disclaim any liability for the forms being used by a member.
- Clear and specific instructions for how V.I. D.A. can be accessed will need to be established.

Storage Medium

- How can the credit union insure or assure members that documents stored using existing technology will be accessible from the technology that will exist in the future? (for example the demise of the “floppy disc”)

GETTING STARTED

1. Contact us if interested at innovation@filene.org