

SDBANKER



OFFICIAL PUBLICATION OF THE SOUTH DAKOTA BANKERS ASSOCIATION | FEBRUARY 2022



2022 Annual Convention
ONWARD!



SDBANKERS
ASSOCIATION

Educate. Advocate. Grow.



WASHINGTON SUMMIT

March 7–9, 2022

Washington, DC & Virtual Event

ATTEND ABA'S WASHINGTON SUMMIT TO MAKE YOUR VOICE HEARD

by policymakers on Capitol Hill, at the
regulatory agencies, and in the
White House.

You'll hear directly from these
decision makers about the major issues
facing your bank, your customers,
and your communities.

Registration is Free for Bankers

REGISTER NOW
aba.com/SummitSBA



American
Bankers
Association®

PO Box 1081 | 109 West Missouri Avenue
Pierre, SD 57501
605.224.1653 | 800.726.7322
www.sdba.com

SDBA OFFICERS

CHAIR

Kristina Schaefer, First Bank & Trust, Sioux Falls

CHAIR-ELECT

David Bangasser, Dacotah Bank, Sioux Falls

VICE CHAIR

David Nelson, First Fidelity Bank, Burke

IMMEDIATE PAST CHAIR

Steve Bumann, BankWest, Inc., Pierre

SDBA BOARD OF DIRECTORS

Dylan Clarkson, Pioneer Bank & Trust, Belle Fourche

Craig Davis, First National Bank, Pierre

Nathan Franzen, First Dakota National Bank, Yankton

Mike Klumpp, Citibank, Sioux Falls

Keith Knappe, BankNorth, Warner

Pennie Lutz, Richland State Bank, Bruce

John McGrath, First PREMIER Bank, Sioux Falls

Pete Mehlhaff, Great Plains Bank, Aberdeen

Tony Nour, First PREMIER Bank, Sioux Falls

Dusty Pinske, First Interstate Bank, Rapid City

SDBA STAFF

Karlton Adam, SDBA President
kadam@sdba.com

Mike Feimer, President of Insurance and Services
mfeimer@sdba.com

Halley Lee, Administrative Vice President
hlee@sdba.com

Alisa Bousa, Communications Coordinator
abousa@sdba.com

Natalie Likness, Member Services Coordinator
nlikness@sdba.com

Dean Franzen, Commercial Lines Specialist
dfranzen@sdba.com

Michelle Guthmiller, Insurance Specialist
mguthmiller@sdba.com

Robin Feimer, Insurance Specialist
rfeimer@sdba.com

EDITORIAL: Published monthly by the South Dakota Bankers Association, SDBANKER Magazine is dedicated to enhancing the state's banking profession by providing useful and timely information on important events and trends in the banking industry. Statements of fact and opinion are made on the responsibility of the authors alone and do not represent the opinion or endorsement of the SDBA. The magazine welcomes news from SDBA members. Articles may be reprinted with permission. Email abousa@sdba.com.

ADVERTISING: Advertisements within this publication do not necessarily represent endorsement of those products and services by the SDBA. The editor reserves the right to refuse any advertisement or editorial copy deemed to be unsuitable. For advertising details, see SDBA media kit at www.sdba.com.

SUBSCRIPTIONS: Member banks, branches and associate members receive one complimentary subscription. Additional subscriptions are \$45 per year for members or \$90 for non-members. Call 605.224.1653 or email abousa@sdba.com.



6



9



12



16

features

- 8 **SDBA News**
SDBA Seeking Candidates for Vice Chair
- 9 **Emerging Leaders**
Emerging Leader of the Month: Liz Salmonson
- 10 **Industry News**
Long-Awaited Fed Paper Highlights Risks, Potential Benefits of a U.S. CBDC
- 12 **2022 NDBA/SDBA Annual Convention**
ONWARD!
- 14 **Legal**
Fraudulent ACH/Wire Transfers: Limiting Risk of Loss and Avoiding Costly Litigation
- 16 **Washington Update**
Cryptocurrencies: Unlocking Banking's 'New Frontier'

in every issue

- 4 **Message from the Chair**
You Should Attend State Legislative Day
- 5 **From the Executive Office**
Help Make Our Presence Stand Out
- 6 **SDBIS Update**
Do You Need a COVID Test? How to Make Sure You're Covered
- 18 **Bank Notes**
- 20 **Classifieds**
- 22 **Education Calendar**



message from the chair.....

BY KRISTINA SCHAEFER | General Counsel & Chief Risk Officer | First Bank & Trust, Sioux Falls

You Should Attend State Legislative Day



You belong at the SDBA State Legislative Day—your voice and perspective are valuable.

As I sat down to write this month's column, I was initially thinking it would make sense to write about the upcoming legislative session; however, I was struck by just how quickly my words could become stale. Things in Pierre can move remarkably fast, and by the time this edition goes to print, any issue I chose to write about might have been resolved. At the time I wrote this, the Legislature had been assembled for about a week, and I had already talked to SDBA President Karl Adam a handful of times. Early indications are that there will be issues that are important to our industry, and your voice is going to be important.

Karl and Brett Koenecke, the SDBA's legal counsel, do a fantastic job advocating on our behalf, but our legislators need to hear from bankers directly. Banks in South Dakota play a vital role in the communities they serve, and our bankers have a powerful perspective not only on how legislation might impact the banking industry, but our customers and communities. Every year, the SDBA provides a handout to our legislators demonstrating how South Dakota banks make a difference in the communities they serve, but I don't think there's anything more powerful than a story told personally by a banker. Whether it's a story about a Paycheck Protection Program loan, a volunteer event or helping a customer through a scam, these are stories that need to be told.

Along those lines, the annual SDBA State Legislative Day on Feb. 9 is rapidly approaching. For those of you who have not attended in the past, it's an opportunity to meet with our legislators and talk about the important work we are doing across the state—as well as voice our opinions on any current legislation. Last month, I encouraged those in a leadership position or those that have attended SDBA events in the past to ask another banker to attend or encourage someone in your organization to attend.


My message this month is for those of you who might be considering attending your first SDBA event—you should attend this one. I know it can be somewhat

intimidating to walk into a room of seasoned bankers to talk about things like legislation, but the SDBA has robust programming for emerging leaders to introduce you to the importance of being an effective lobbyist for our industry. You belong at this event—your voice and perspective are valuable. If you have questions, please reach out.

It does seem like a relatively safe bet, though, to assume that marijuana will come up during this legislative session. In my role, we talk about the challenges of banking marijuana fairly frequently. With the recent South Dakota Supreme Court decision regarding recreational marijuana and the initial roll-out of medical marijuana in our state, I expect that this topic will be heavily discussed.

Regardless of how bankers personally feel about the legalization of marijuana, an entity that operates primarily in cash is not good for the economy or the safety of those involved, not to mention from a money laundering perspective. I'm thankful that last year we were able to successfully lobby for a bill that permits South Dakota banks to avoid state law penalties to bank these types of businesses, should they choose to do so. It'll be interesting to watch how this issue shakes out during the current legislative session.

If you're not able to make it to Pierre, there are many other ways to stay engaged and involved during this legislative session. Please watch for the SDBA's weekly Legislative Update and Bill Watch for coverage of the issues impacting banks and engage with your elected officials. You can find who your district's legislators are, how to reach them and what bills have been introduced at sdlegislature.gov.

On a national front, the ABA Washington Summit is scheduled for March 7-9, and we'd love to have you join us for that event. Learn more at www.aba.com/SummitSBA. 

Kristina Schaefer is general counsel and chief risk officer at First Bank & Trust in Sioux Falls. She can be reached at 605.782.8033 or kristina.schaefer@bankeasy.com.



from the executive office.....

BY KARLTON ADAM | President | SDBA

Help Make Our Presence Stand Out

As this issue of SDBANKER Magazine goes to print, the 2022 Winter Olympics opening ceremony is underway. It's always a spectacle to behold, isn't it? The anticipation of honoring the world's most esteemed athletes, the grandeur of the showmanship and the coming together of nations—it's hard not to feel a flutter of excitement and nerves.

Much like the opening ceremony of the Olympics, Gov. Kristi Noem held the opening ceremony of the 97th South Dakota Legislative Session on Jan. 11 with her fourth State of the State Address. The Governor's remarks were largely centered around the positive response of all South Dakotans during the global pandemic, while highlighting the many "wins" the state has experienced with record sales tax revenues, job growth and prudent fiscal spending. 2021 offered many things to be proud of and lifted the veil on things we need to improve upon or keep at the forefront.

With the SDBA State Legislative Day just around the corner, and to echo SDBA Chair Kristina Schaefer, staying abreast of legislative matters is so important to the future of the banking industry. You may be thinking to yourself, "But what kind of influence does my voice have?" Trust me, it's plenty—your voice matters.

Expressing your concerns and sharing opinions and expertise on matters that affect our customers and communities doesn't mean you have to be a proper lobbyist. Simply put, communicating with your district's legislators, actively engaging in the SDBA's weekly Legislative Update and Bill Watch, and participating in regular SDBA events ensures our voices are heard and our presence conspicuous in the matters that affect us.

To dip your toes into the "involvement pool," I welcome you to join us at the SDBA State Legislative Day on Feb. 9 in Pierre. There's still time to register at sdba.com/2022statelegday. The day-long programming includes an SDBA Legislative Committee meeting, lunch, an SDBA update, featured speaker Keith Prather, Gov. Kristi Noem (invited), the chance to visit with state legislators at the State Capitol, and an evening reception with state legislators and constitutional officers. The day will also include special sessions specifically designed for emerging bank leaders.

If you are unable to join us, here are some additional resources to get started:

- **2022 Legislators:** sdlegislature.gov/Legislators/



SDBA President Karl Adam made a friendly wager with Montana Bankers Association President Cary Hegreberg on the MSU/SDSU football game in December. The Montana State University Bobcats beat the South Dakota State University Jackrabbits 31-17. The winner sent a mascot coffee cup to the loser, who has to keep the mug on his desk for a year.

Contacts/64

- **SDBA Legislative Update & Bill Watch:** www.sdba.com/lobbying
- **2022 Bills:** sdlegislature.gov/Session/Bills/64

If you're looking to take your participation one step further, I'd invite you to attend the ABA Washington Summit on March 7-9. It's a great opportunity to network with fellow bankers, talk with cohorts from across the nation and meet with decision makers at a federal level. Visit aba.com/SummitSBA to learn more.

I anticipate more banking-related bills in the coming weeks in Pierre. If you don't have a membership profile with the SDBA, it's easy to create one. Go to www.sdba.com/request-a-profile and you'll automatically be subscribed to the weekly SDBA Legislative Update and Bill Watch—they'll come directly to your inbox.

As always, thank you to our members for your partnership to the SDBA. I hope you're staying warm and healthy this winter season. If you have thoughts, concerns or questions regarding upcoming legislation, please don't hesitate to reach out to me. 🌈

Karlton Adam is president of the South Dakota Bankers Association in Pierre. Adam can be reached at 605.224.1653 or kadam@sdba.com.



south dakota bankers insurance & services update.....

BY MIKE FEIMER | President | South Dakota Bankers Insurance & Services Inc.

Do You Need a COVID Test?

How to Make Sure You're Covered

Information Provided by Wellmark Blue Cross and Blue Shield

If you have COVID-19 symptoms, you're going to want to get tested. Testing capabilities have expanded from what they were at the start of the pandemic, and many health insurance plans now cover testing from your health care provider, the local pharmacy and over-the-counter COVID-19 tests.

Federal agencies (Department of Labor, Health and Human Services and the IRS) jointly issued guidance on Jan. 10, 2022, as directed by the Biden administration, that requires all issuers and group health plans to begin covering over-the-counter (OTC) COVID-19 tests with no member cost share. Wellmark Blue Cross and Blue Shield is currently working to implement the specifics of this newly-released guidance.

Testing for the coronavirus continues to be an essential tool in understanding the pandemic and the amount of COVID-19 that's in our communities. That's why it's important to understand the testing options available to you and how they're covered by health insurance.

COVID Tests Covered by Wellmark

- **Community-Based Testing:** South Dakota has a public testing program through the South Dakota Department of Health. These programs do not submit health insurance claims and are free of charge. Visit doh.sd.gov/COVID.
- **Health Care Provider Testing:** COVID-19 tests provided through the member's doctor or hospital will be processed through insurance and covered in full.
- **OTC Tests Approved by the Food and Drug Administration (FDA).** Check the FDA's website at <https://bit.ly/3rV1zCb>. Once on that page, find the search box near the middle of the page and enter "OTC" in the search field to view the tests that qualify.

How to Get a Test Without Paying Money Up Front

The federal government has made free at-home COVID-19 tests available. Visit www.covidtests.gov to submit an order.



Also, Wellmark has partnered with CVS Caremark® to provide members with a streamlined purchase experience where members will not have to pay anything up-front for the OTC COVID-19 test in most situations. You must purchase the test from the pharmacy counter of an in-network pharmacy to be covered with no out-of-pocket costs. If you purchase the test from a regular check-out, you will need to pay retail price and submit a claim to CVS Caremark for reimbursement. Keep in mind, this is still relatively new and some pharmacies may not be ready to process point-of-sale claims. You can find step-by-step instructions to submit a claim for reimbursement and other relevant information at [Wellmark.com/Coronavirus](https://www.Wellmark.com/Coronavirus).

Health Care Provider Testing

Hospitals, clinics, urgent care centers and other health care providers all have their own processes in place for COVID-19 testing. If you are experiencing a fever or acute respiratory symptoms (cough or shortness of breath), or have been in close contact with someone who has tested positive for COVID-19, call a health care provider before going to a doctor's office, clinic, urgent care or emergency department. During that call, your provider will assess your symptoms and

direct you to the appropriate care.

Providers may have different procedures for handling COVID-19, so be sure to do some research online or call your doctor before going to your appointment. Also, check if your provider has a virtual visit option so you can see the doctor without leaving home. If you're a Wellmark Blue Cross and Blue Shield member, be sure to check your benefits in myWellmark®Secure to see if you have coverage for virtual visits.

If you have a COVID-19 test through your doctor or hospital, present your Wellmark ID card. The COVID-19 test will be processed through your insurance and covered in full.

"Many people are required to have a COVID-19 test before receiving a medical procedure or screening, such as a colonoscopy," says Mike Fay, vice president of health networks and innovation at Wellmark Blue Cross and Blue Shield. "In this case, follow instructions provided by your health care provider. The testing will be billed to and paid for by your health insurance."

Independent Vendors of OTC Tests

You may need to get the results of a COVID-19 test quickly. In this case, you may not have coronavirus symptoms, or you may be unable to schedule your test through a community testing site or through your doctor.

Wellmark will cover OTC COVID-19 tests through the end of the public health emergency, but there are some limitations.

OTC COVID-19 Test Guidelines for Coverage:

In order to be covered, the OTC COVID-19 test must be:

- Purchased on or after Jan. 15, 2022. Any OTC tests purchased before that date will not be reimbursed.
- Approved by or have an emergency use authorization from the Food and Drug Administration (FDA).
- A test that collects your own specimen and can be read at home. OTC COVID-19 tests that require you to drop off or mail your specimen to a laboratory are not covered under the OTC COVID-19 test coverage.
- Purchased from the counter of an in-network pharmacy and processed through the pharmacy system to receive direct coverage.

Members will only be reimbursed for up to eight OTC COVID-19 tests per member (including dependents on the same health plan) in a calendar month. As an example, if a family has five members on the same health plan, the family is eligible to be reimbursed for up to 40 OTC COVID-19 tests each calendar month. To find step-by-step instructions on how to submit a claim for reimbursement, visit [Wellmark.com/Coronavirus](https://www.wellmark.com/Coronavirus).

Beware of Untrustworthy Sellers:


COVID-19 tests administered by independent vendors generally aren't covered by health insurance. "Insurance covers tests that are approved by the FDA and ordered by a health care provider," says Fay. "There are fraudulent tests and treatments out there. Be sure to do your homework first," he warns.

Unfortunately, with high demand for OTC COVID-19 tests, there are quite a few tests being sold that have not been approved or authorized by the FDA. OTC COVID-19 tests purchased online are particularly vulnerable to potential fraud, so it's important that you make sure you are buying OTC COVID-19 tests from valid and trustworthy pharmacies and sellers.

The Federal Trade Commission (FTC) has compiled some tips on identifying unauthorized tests and scams when purchasing OTC COVID-19 tests online (www.consumer.ftc.gov/blog/2022/01/how-avoid-buying-fake-covid-tests-online). Pharmacies and large national retailers are your best options to purchase a qualifying OTC COVID-19 test.

Tests Not Covered by Wellmark

- Wellmark will not cover OTC COVID-19 tests used for employment purposes, meaning that if you're required to test for COVID-19 weekly or other routine basis, you should not be purchasing those and submitting them to CVS Caremark for reimbursement.
- COVID-19 testing performed for travel purposes, including, but not limited to, flying internationally or boarding a cruise, is not a covered health plan benefit.
- OTC COVID-19 tests only qualify for coverage and reimbursement if the test is both self-administered and self-read at home—no laboratory or health care provider is involved.
- Coverage and reimbursement of OTC COVID-19 tests is limited to eight OTC COVID-19 tests per member per month. Claims totaling more than that will not be reimbursed by Wellmark.

For more information about COVID-19 testing, plus other benefit information related to COVID-19, visit [Wellmark.com/Coronavirus](https://www.wellmark.com/Coronavirus). You can also read a story from BluesSM at www.wellmark.com/blue/healthy-living/do-you-need-a-covid-test. 

Wellmark Blue Cross and Blue Shield of Iowa, Wellmark Health Plan of Iowa, Inc., Wellmark Value Health Plan, Inc. and Wellmark Blue Cross and Blue Shield of South Dakota are independent licensees of the Blue Cross and Blue Shield Association.

SDBA Seeking Candidates for Vice Chair

Are you interested in becoming an officer of the South Dakota Bankers Association?

SDBA officers include the chair, chair-elect, vice chair and immediate past chair.

The SDBA is currently seeking people who are interested in running for the vice chair position, which

will be elected at the NDBA/SDBA Annual Convention on June 15, 2022, in Bismarck.

The current chair-elect, David Bangasser (Dacotah Bank, Sioux Falls), will automatically assume the chair position on June 15. The current vice chair, David Nelson (First Fidelity Bank, Burke), will be eligible to run for chair-elect. The position of vice chair will be up for election. Current Chair Kristina Schaefer (First Bank & Trust, Sioux Falls) will become immediate past chair.

If you are an executive officer of any SDBA member bank, you are eligible to run for vice chair. If you are interested in running for the position, contact a member of the nominating committee prior to the



NDBA/SDBA Annual Convention and submit a letter of intent to SDBA President Karlton Adam at kadam@sdba.com or by mail to SDBA, PO Box 1081, Pierre, SD 57501.

Officer Election Nominating Committee

Steve Bumann

BankWest
PO Box 998, Pierre, SD 57501
605.945.3749
steve.bumann@bankwest-sd.bank

Dave Rozenboom

First PREMIER Bank
PO Box 1348, Sioux Falls, SD 57101
605.929.8724
dave.rozenboom@firstpremier.com

Paul Domke

Heartland State Bank
PO Box 40, Redfield, SD 57469
605.475.5500
pdomke@hsbsd.com

New SDBA Associate Member: Level Up Facilitation Group

Contact: Bobbi McVey-Blath, CPTM, Founder

Address: 255 N 7th, Staplehurst, NE 68439

Phone: 402.480.2700

Email: bobbi@levelupfacilitation.com

Website: www.levelupfacilitation.com

Level Up Facilitation Group (LUGF) is dedicated to helping your community bank create a unique

combination of training programs and curricula that will establish consistency between branches and put your bank at a competitive advantage within the communities you serve. Services include creating onboarding/orientation training plans, developing current curriculum specific to your needs, review current curriculum to ensure employee engagement, team building activities, train your trainers to facilitate and not "tell," and create internal product and services manuals as an employee resource/training tool. Whether you have someone dedicated to training or simply starting from scratch and need some direction and guidance, LUGF is here to help.



SDBA IRA Update Seminar to be Held in March

The IRA Update Seminar builds on attendees' knowledge of IRA basics to address some of the more complex IRA issues their financial organizations may handle.

The SDBA will hold the Spring IRA Update Seminar on March 22 at USD Community College at 4801 N. Career Ave. in Sioux Falls and virtually. In addition to being live-streamed, the seminar will also be recorded and can be watched at a later date.

This course includes how the transitions rules work, RMDs and death distributions. Amending documents will also be discussed. This is a specialty session; some previous IRA knowledge is assumed. The instructor uses real-world exercises to help participants apply information to job-related situations.

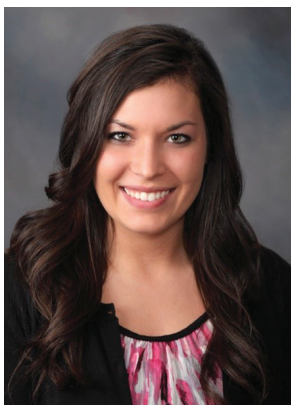
The seminar instructor is Matthew Dickinson, who has been working with IRAs for 18 years. Dickinson not only instructs, but he listens and responds to special needs and involves his audience in an effective group learning experience. Attendees are encouraged to ask questions or share concerns throughout the program.

Learn more and register to attend at www.sdba.com/events.

Emerging Leader of the Month: Liz Salmonson

As part of the SDBA's mission to grow South Dakota's future bank leaders, we feature a monthly emerging leader. This month's feature is on Liz Salmonson with BankWest, Inc. in Mitchell

First-Ever Job



My first job was working with my older sister and cousin at Lamb Chevrolet & Implement, Lamb Motor Company and Lambs Discount owned by our family in Onida. We did anything from detailing cars and combines, painting rental houses, to stocking shelves at the department store. We may have spent more time trying to find ways to get out

of work than actually working, but we learned a lot of lessons working for the family-owned business in a rural community in South Dakota.

Emerging Leader Story

I started working in the banking industry at BankWest Inc. in Mitchell as a part-time teller while attending college at Dakota Wesleyan University. After going home for the summer after graduation, I decided to return to Mitchell and get a master's degree in business administration and strategic leadership with hopes of earning the necessary college credits to sit for the CPA exam. I also worked as a full-time teller and deposit account opener at BankWest and was given the opportunity to take on more responsibilities and became a business banking assistant. My career path continued with BankWest as I moved into the credit analyst department, where I worked for four years. After gaining experience, I transitioned into a lending position and am now a business development officer. BankWest has provided me with amazing opportunities to follow a career plan within the walls of the bank and grow in knowledge of the financial industry.

What She Most Likes About Her Job

As a business development officer, my primary focus is helping customers with their financing needs. I also have the opportunity to help facilitate and grow their entire banking relationship at BankWest whether that be with other loans, deposits, insurance or trust services. My favorite part about working in the banking industry is the opportunity to partner with customers and help them achieve financial success. Being a part of our customers' banking relationships is rewarding to

me on both a professional and personal level. My family is very devoted to the South Dakota banking industry as my husband, Travis, also works at BankWest Inc. in Mitchell as the mortgage operations manager.

If She Could Have Any Job

In college, I double majored in accounting and criminal justice. If I wasn't in banking, I would like to be a forensic accountant for the government. Traveling and catching financial criminals like the "Bernie Madoffs" of the world would be quite the adventure!

Her Life's Passions

I am passionate about serving my community and family. Watching the communities I serve thrive and knowing that I had the privilege to participate in that success and growth is life changing. When you invest in the community you live in, you are fostering growth that hopefully carries on to your children and the next generation.

Serving my family is another passion. I have two sisters and a brother and have always joked with my husband that I wanted five children to have my own little basketball team. We currently have two boys, Dax (4) and Beau (2); Siah who passed away at 16 weeks gestation and a little girl on the way, so my dream isn't too far away. My family comes first whether it be my biological family, work family or community family.

In Her Spare Time

I enjoy spending time with my friends and family, reading and attending different sporting events. Chasing after a four-year-old and two-year-old feels like another full-time job some days, but they bring me so much joy and always make my days brighter. 🌈



Liz and Travis Salmonson and their sons, Dax and Beau.

Long-Awaited Fed Paper Highlights Risks, Potential Benefits of a U.S. CBDC

The Federal Reserve on Jan. 20 issued a highly-anticipated report assessing the potential benefits and risks of creating a U.S. central bank digital currency, or CBDC. The paper also requests public feedback on these topics, and comments will be accepted until May 20.

While the Fed took no official position on creating a CBDC, the agency said it "will continue to explore a wide range of design options," adding that it "does not intend to proceed with the issuance of a CBDC without clear support from the executive branch and from Congress, ideally in the form of a specific authorizing law."

The paper noted that a CBDC "would best serve the needs of the United States by being privacy-protected, intermediated, widely transferable and identity-verified."

Among the various CBDC structures the Fed is contemplating is an intermediated model through which the private sector would facilitate the management of CBDC holdings and payments through accounts or digital wallets. Such a model "would facilitate the use of the private sector's existing privacy and identity-management frameworks; leverage the private sector's ability to innovate; and reduce the prospects for destabilizing disruptions to the well-functioning U.S. financial system," the Fed said.

In an analysis of potential risks, however, the Fed acknowledged that a CBDC could—depending on its design—"fundamentally change the structure of the U.S. financial system, altering the roles and responsibilities of the private sector and the central bank." In addition, the creation of a CBDC could also have implications for monetary policy and present operational resiliency and cybersecurity challenges, among other things.

The ABA has previously weighed in on the risks associated with issuing a CBDC, warning that the issuance of a CBDC could compete with bank deposits and limit banks' ability to power economic growth. The ABA is currently reviewing the paper and will provide feedback to the Fed. Read the Fed's report at <https://bit.ly/347apVk>. ■■■



Graduate School of Banking *at Colorado*

GSBC, Leeds School of Business Partner on Executive Leadership Certificate

The Graduate School of Banking at Colorado (GSBC) has announced its new Certificate in Executive Leadership, developed in partnership with the University of Colorado Boulder Leeds School of Business.

GSBC alumni may earn this certification by attending GSBC's Community Bankers Summit, scheduled for July 25-27, 2022, on CU Boulder's campus during the school's 71st annual school session.

The first day of the Community Bankers Summit will be community banking focused with GSBC faculty members discussing critical issues including how to attract and retain top talent, remaining competitive with cryptocurrency in the faster payments space, fintech strategy, gender diversity among bank leaders, and the mergers and acquisitions landscape.

For the remaining two days of the Summit, participants will focus on earning their Certificate in Executive Leadership. Courses taught by Leeds School of Business faculty members will include understanding the organization as a system, leading organizational change, creating an ethical climate, leading through a crisis and leader reactions.

"Working with the Leeds School of Business to provide this opportunity to our alumni is an important contribution to the continued development and success of the community banking industry," stated GSBC President Michael Stevens. "We look forward to having our alumni back on campus!"

The Certificate in Executive Leadership is available exclusively to alumni of GSBC and builds on the leadership skills gained during their time at the school.

The Graduate School of Banking at Colorado boasting more than 8,000 alumni since its inception in 1950, and educating approximately 600 bankers and regulatory professionals from around the nation annually. GSBC prides itself on its commitment to providing unmatched higher education to America's community bankers. To learn more about GSBC's lineup of comprehensive educational programs, visit www.GSBCColorado.org. ■■■



CHIPPEWA VALLEY BANK

TIRED OF BORROWING MONEY BEING MORE COMPLICATED AND DIFFICULT THAN IT NEEDS TO BE?

Bank Stock and Bank Holding Company Stock Loans done the simple way

Bank mergers, acquisition loans and refinances up to \$50 million

- ✓ Approval typically within 2 to 3 days and sometimes immediately
- ✓ In many cases the loan can be started, closed and funded in less than 2 weeks
- ✓ No Correspondent Bank Account relationship required
- ✓ If the Federal Reserve approves it we can likely get the deal done for you
- ✓ Standard Commercial Loan Documentation used in most cases
- ✓ We won't restrict you to unnecessary covenants
- ✓ Limited or no reporting requirements
- ✓ Limited or no origination costs
- ✓ Low interest rates
- ✓ Principal payments often determined with the borrower's input on a year by year basis
- ✓ In many circumstances we accept bank capital growth instead of loan principal reduction
- ✓ We will come to you! Most loans initiated and closed at the borrowers home or office.

Deal directly with a lender/owner who is a CPA who understands the banking industry. Although we cannot give direct advice, we have 35 years of industry experience and can make your job far less stressful and time consuming. We will understand your transaction. You do not need to educate the lender.

Our belief is to make the loan and then stay out of the banker's way and let you do your job. You will only see us when you choose to.

Call Ryan Gerber or Rick Gerber at 1.866.282.3501 or email
ryang@chippewavalleybank.com or rickg@chippewavalleybank.com



2022 NDBA/SDBA
ANNUAL CONVENTION

ONWARD!

JUNE 14-15, 2022

RADISSON HOTEL & BELLE MEHUS AUDITORIUM | BISMARCK ND



FEATURED SPEAKERS: THE LAMOUREUX TWINS

DARE TO MAKE HISTORY

Chasing a Dream and Fighting for Equality



**Jocelyne Lamoureux-Davidson &
Monique Lamoureux-Morando**

Born and raised in Grand Forks, North Dakota, as the youngest of six children, Monique and Jocelyne Lamoureux excelled as young athletes and became North Dakota's first Olympic Gold Medalists. Despite growing up with no opportunity to play on girls hockey teams, they did not let that stop them from developing into some of the best players in the state.

During their 15 years on the USA Women's National Team, Monique and Jocelyne rose to become two of the all-time greats in women's hockey, winning one Olympic gold medal, two Olympic silver medals, six world championships and one world championship runner-up.

Their most important victories have come off the ice in their fight for gender equity for women in hockey and sports. They were key leaders in negotiating Team USA's first-ever contract that provided more opportunities, compensation and benefits for women and girls who play hockey in America. They continue to give back through the Monique and Jocelyne Lamoureux Foundation, which helps serve underprivileged youth.



Presented by
Diamond Sponsor:



The Annual Convention will be held June 14 & 15 at the **Radisson Hotel and Belle Mehus Auditorium** in Bismarck.

For more information, visit ndba.com.

Fraudulent ACH/Wire Transfers

Limiting Risk of Loss and Avoiding Costly Litigation

By Scott Perrenoud, Alex Hagen and Andrew Hurd of Cadwell Sanford Deibert & Garry, LLP, Sioux Falls



Scott Perrenoud



Alex Hagen



Andrew Hurd

Cybercrime and cyberfraud are facts of life in the commercial world today. According to the FBI's Internet Crime Report, in 2020 the FBI's Complaint Center received 19,369 complaints from businesses regarding "business email compromise," a scam targeting businesses which regularly perform ACH or wire transfers, causing adjusted losses of more than \$1.8 billion. Of the categories of crime recorded in the report, these email scams accounted for less than 1% of the total complaints but accounted for the vast majority of monetary losses.

The defrauded parties' banks, having assumed a fundamental, intermediary role in each of those wire transfers, faces potential liability in each of those instances. Banks thus are justifiably concerned about helping commercial clients fortify their own internal security environments. But even the most sophisticated clients are victims of fraudulent fund transfers. This article summarizes the legal framework that governs risk of loss between depositors and banks and outlines proactive steps banks can take to limit their risk of loss and avoid costly litigation.

Article 4A of the Uniform Commercial Code (UCC), codified at SDCL Chapter 57A-4A, governs "funds transfers" involving "payment orders" (instructions to wire customer funds) from a non-consumer account. In the event of a fraudulent transfer or series of such transfers, a bank's first line of defense, if the fraudster did not have actual authority to transact on the account, is to avoid liability by establishing that it justifiably believed that the fraudulent third party was acting on behalf of the banking client. Article 4A shifts risk of loss to the customer, if the financial institution can make this showing. This defense is fact-intensive, turns on the particular mechanics of the fraudulent scheme and also requires that the bank lay blame on a customer for the loss.

Further, as explained in the official comments to

Chapter 4A, most of the transfers contemplated by the Chapter are made electronically, and "[c]ommon law concepts of authority to bind agent to principal are not helpful[]" in such situations. As such, a defense based on agency principles does not provide a surefire exit from litigation the defrauded customer may commence and likely leaves the bank liable for the loss.

Fortunately, the UCC provides banks with a second, better line of defense. With advanced planning and careful draftsmanship of customer agreements, South Dakota banks can insulate themselves from liability and lower the risk of litigation by its unhappy customer.

Section 202(b) of Article 4A provides the cognizant financial institution a good opportunity to shift risk of loss to a customer. To successfully invoke the defense, the bank must show that it verified the authenticity of the payment order pursuant to a "security procedure" the bank and customer previously agreed would be used, and also that the agreed-upon procedure is "commercially reasonable." Security procedures may require the use of algorithms or other codes, identifying words or numbers, encryption, callback procedures or similar security devices to help authenticate the payment order. The bank must also show that it accepted the payment order in good faith and in compliance with that agreed-upon security procedure.

Not every security measure that a bank puts into place qualifies as "security procedure" as that term is defined under Article 4A. A "security procedure" is "established by agreement of a customer and [its] bank for the purpose of ... verifying that a payment order or communication amending or canceling a payment order is that of the customer." A "security procedure" does not encompass the internal compliance or other monitoring mechanism that a bank has chosen to put in place. The bank needs to spell out the relevant security procedures that it will use in agreements that the customer signs off on.

The next critical step is to assure that the security procedures contained in the agreement are commercially reasonable. Banks can gain insight into what constitutes a "commercially reasonable" security procedure from prior case law. Courts in other jurisdictions have held that security procedures identified in the September 2016 FFIEC Information Technology Examination Handbook provide a benchmark standard as to what will qualify as a "commercially reasonable" measure. The 2005

Guidance has also been cited to establish parameters on measures that may be used to authenticate the identity of authorized account-holders.¹

Article 4A also provides protections to banks when a customer refuses a security procedure that was otherwise commercially reasonable for that customer, and the customer agrees in writing to be bound by any payment order, authorized or not, so long as the bank follows those procedures to which the customer agreed. In other words, the customer may not shift liability to the bank by simply refusing to implement security procedures.

Of course, what is commercially reasonable today may not be in the future. Banks are advised to include a procedure in their customer agreements that permits them to update the security procedures used to verify authenticity of requested transfers in order to assure that they are in line with best practices. The protection afforded by Section 202(b) requires a showing that the practices used by the bank to verify the authenticity of a payment order are included in an agreement with the customer. Accordingly, as those practices change, banks will need to verify that the customer has agreed to the updated procedures. The best mechanisms to keep this information up to date may vary from bank to bank, but it is essential that the institution has a record of the agreed-upon procedures that is current with its actual practices.

Finally, bank personnel executing client requests for wire transfers must follow the verification procedure then in effect. Generally speaking, when the bank does so, it will have a valid defense to the customer's demand that the bank credit back the amount of the transfer, even if it was not, in fact, authorized by the customer. ■■■

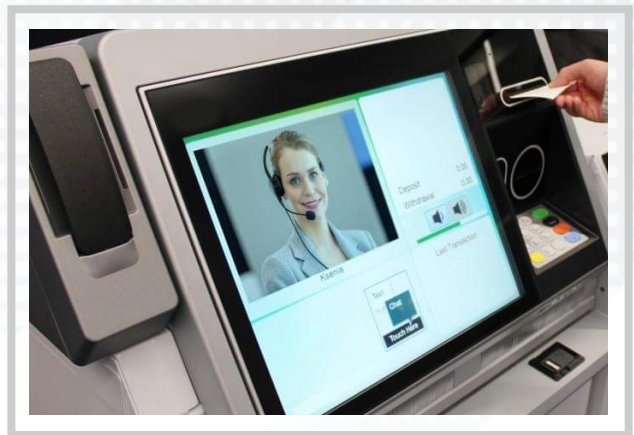
¹The 2005 Guidance recommends authentication methods involving three factors: (1) something the customer knows (e.g., a PIN); (2) something the customer has (e.g., a token); and (3) something the user is (a biometric). See 2005 Guidance, at 3. Additionally, the FFIEC recommends the implementation of robust two-factor authentication protocols through tokens. See 2016 Handbook at 36 n.41.

Cadwell Sanford Deibert & Garry, LLP in Sioux Falls reached its 125 year milestone of continuous practice in 2016. The firm's historical practice roots were in civil trials, appeals and bankruptcy, but in its current practice the firm has represented numerous banks in commercial finance and credit card services, trust companies and large family trusts, insureds and insurers in sorting out complex coverage problems, physicians and physician organizations, local governments, real estate developers and employers dealing with the maze of regulations. For more information visit www.cadlaw.com.

Ready to Differentiate Your Client Experience?

With over 400 successful ITM installations in the Midwest, DBE is your proven resource for Interactive and Self-Directed Banking Services.

Everything DBE does is designed to drive the best possible experience and outcomes for our clients. We know how to execute a successful ITM strategy and drive consumer adoption. We will help your Financial Institution navigate increased digital services demand, consumer behavior changes and enduring labor challenges through our differentiating technology and guided support.



NCR's Global
Customer
Engagement
Partner of
the Year



Contact DBE for more informatin!

605-310-3035 | dfehrs@dbeinc.com



washington update.....

BY ROB NICHOLS | President and CEO | American Bankers Association

Cryptocurrencies:

Unlocking Banking's 'New Frontier'

In case you haven't noticed, cryptocurrencies are an increasingly hot topic of conversation in this country.

According to a Pew Research Center survey fielded in November, 86% of Americans said they have heard about cryptocurrencies, and 16% said they have invested in, traded or used them. Cryptocurrency use is growing particularly rapidly among younger Americans, with 31% of Americans between ages 18 and 29 telling Pew they have participated in crypto transactions.

More often than not, these trades are happening through financial intermediaries—and consumers are increasingly turning to banks to hold these digital assets. In fact, I've heard from a growing number of bank leaders that their customers want to buy, hold and use crypto—and they want to do it through their banks.

Banks have already begun making inroads into the crypto services business—offering a responsible pathway for consumers to adopt these novel financial products. Take for example Vast Bank, a community institution based in Oklahoma that recently launched a crypto custody account that bank customers can manage in their app alongside their FDIC-insured dollar account. Or Quontic Bank, which offers a checking product that provides rewards in bitcoin, offering consumers an opportunity to wade into the crypto space without buying it themselves. Large custody banks—like the Bank of New York Mellon and Northern Trust—are also developing custody services for crypto.

Bank customers know they can rely on their banks to steward their finances and keep their financial data safe. A recent Morning Consult poll highlighted that banks are the most trusted among all financial services providers. Given that, it's no surprise that consumers want to receive cryptocurrency services from their bank. But don't just take my word for it: a survey from NYDIG, a bitcoin services firm, confirmed that a whopping 81% of bitcoin holders would shift their bitcoin to a bank if it offered secure bitcoin storage. Undoubtedly, this "new frontier" of cryptocurrency represents a huge opportunity for banks.

But in order for banks to successfully navigate this new frontier, the bank regulatory architecture needs to catch up—quickly. More clarity is needed from the

banking agencies about how banks can offer these services in a safe and sound manner. Without this clarity, the unlevel playing field between banks and the rapidly-growing cadre of firms seeking to operate as banks while evading the full scope of bank regulations, will continue.

There have been some positive developments, with the OCC issuing an interpretive letter clarifying its approach for approving crypto-related activities for national banks. Additionally, a report by the President's Working Group on Financial Markets highlighted the risks of stablecoins, recommending that they be issued by insured depository institutions that are subject to consolidated supervision and that any providers of custodial wallets be subject to appropriate federal oversight as well.

For our part, ABA is taking a deep dive into what we can do to support banks' participation in crypto and other digital assets through both our advocacy and through technology partnerships. Additionally, in December, we made an investment in NYDIG, a leading provider of bitcoin services for banks. This investment will support banks' ability to meet customer demand in this rapidly-evolving market, so that as we unlock this "new frontier" of cryptocurrencies and digital assets, consumers can continue to place their trust in America's banks to meet their financial needs.

(Read more about why ABA invested in NYDIG at <https://bit.ly/3rLrpZu>.)

We understand that expanding into cryptocurrency products and solutions won't be for every bank, and that's OK. We firmly stand with banks in their right to decide, according to their own judgment and market strategy, what products they will offer. However, even with mixed opinions on the value of cryptocurrency as an asset class or as a basis for a product set, ABA believes strongly that banks should have access to the tools, partners and regulatory frameworks that allow them to meet their customers' needs. ■■■

Rob Nichols is president/CEO of the American Bankers Association. Nichols can be reached at nichols@aba.com.

USDF Consortium™ Launches to Enable Banks to Mint USDF Stablecoins

The USDF Consortium™ (the Consortium), an association of FDIC-insured financial institutions, launched on Jan. 12 with a mission to build a network of banks to further the adoption and interoperability of a bank-minted stablecoin (USDF™), which will facilitate the compliant transfer of value on the blockchain, removing friction in the financial system and unlocking the financial opportunities that blockchain and digital transactions can provide to a greater network of users.

The consortium's founding members include New York Community Bank, Denver-based NBH Bank, Nashville-based First Bank, Montebello, N.Y.,-headquartered Sterling National Bank and Columbus, Ga.,-based Synovus Bank. Figure Technologies, Inc. and JAM FINTECH are also founding members and will facilitate and promote the adoption of USDF. The Consortium looks to significantly grow its membership of FDIC-insured banks through 2022 and beyond.

USDF is a bank-minted alternative to non-bank-issued stablecoins. USDF will be minted exclusively by U.S. banks and will be redeemable on a 1:1 basis for cash from a Consortium member bank. USDF addresses the consumer protection and regulatory concerns of non-bank issued stablecoins and offers a more secure option for transacting on blockchain.

USDF operates on the public Provenance Blockchain. The availability of USDF on a public blockchain means that, in addition to peer-to-peer and business-to-business money transfers, banks and their customers will be able to use USDF for a wide range of applications, including capital call financing as well as invoice and supply chain finance.

"USDF opens up endless possibilities for the expanding world of DeFi (decentralized finance) transactions," said Figure CEO Mike Cagney. "The ease and immediacy of using USDF for on-chain transactions was demonstrated this fall when NYCB minted USDF used to settle securities trades executed on Figure's alternative trading systems. We are tremendously excited that NYCB expects to be minting USDF on demand and on a regular basis in the coming weeks."

The Consortium was formed to meet the needs of customers demanding more access to blockchain applications for payments and other transactions.

"This will solve a critical need to move funds on blockchain, and it does so in a way that can scale, adheres to regulatory standards, and is acceptable to all users from large institutional investors to retail customers," said Andrew Kaplan, NYCB's chief digital and banking as a service officer. "As a form of digital currency created and administered by regulated U.S. banks within the USDF Consortium, USDF will enable




wide use of an on-chain, real time payments system that satisfies important principles of safety and soundness, compliance with anti-money laundering standards and financial stability."

"The USDF Consortium will allow banks of all sizes, and importantly, community banks, to provide the digital banking solutions that more and more of our clients expect," said Valerie Kramer, NBH Bank's chief digital officer. "This aligns with our focus on building out a comprehensive digital financial ecosystem to provide greater access to credit, FDIC-insured depository and treasury management solutions, and integrated financial information, all while lowering transaction costs for small and medium-sized businesses."

"Our membership in the Consortium will enable us to integrate real-time payments into our operating model, allowing us to leverage the benefits of blockchain technology to streamline multi-party decisioning processes and provide certainty of settlement. We are exploring specific segment-focused use cases that are relevant to our commercial model, including potential applications to commercial lending and loan syndications," said Bea Ordonez, chief financial officer of Sterling National Bank.

The USDF Consortium is doing the foundational work to allow banks to leverage the breakthrough technology of blockchain for responsible innovation and growth.

The Consortium's founding bank members and Figure have a representative on the Board of Directors of the Consortium, which will manage the governance, activities, membership and other aspects of the Consortium. Interested banks can visit www.usdfconsortium.com to learn more about the Consortium, USDF membership requirements and to apply to become a member. 



Wohnoutka Promoted at Cornerstone Bank

Brian Wohnoutka has been promoted to a credit analyst officer at Cornerstone Bank in Sioux Falls. He joined Cornerstone Bank as a credit analyst in September 2021. 📊

Regional President Changes in Dacotah Bank's Southern Region



Dave
Bangasser

Dave Bangasser, former regional president of Dacotah Bank's southern region, has assumed the role of senior vice president chief banking officer. With his new role, Bangasser will provide direction and support to regional presidents as they oversee their respective markets and execute on the mission and vision of the company.



Jerry Tveidt

Jerry Tveidt, former director of credit risk, has been promoted to the position of regional president of Dacotah Bank's southern region. In this position, Tveidt will serve as a resource and leader to locations in Brookings, Clark, Custer, Henry, Rapid City, Sioux Falls, Watertown and Willow Lake.

Bangasser has been in community banking for 40 years, including Western Bank in Sioux Falls, American National Bank in St. Paul, Firststar Bank of Minnesota and Heritage National Bank in North St. Paul. He began his career with Dacotah Bank in Sioux Falls in 1995, where he has served as a market and regional president. He is a graduate of the University of Sioux Falls and the Graduate School of Banking in Colorado.

Bangasser has served on the SDBA Board of Directors and is currently chair-elect. He also serves on Junior Achievement of South Dakota's state board.

Tveidt is a North Dakota State University graduate and began working as an examiner for the South Dakota Division of Banking in 2006. In 2012, he moved his expertise to BankWest as a special assets/market analyst. Tveidt began his career with Dacotah Bank in 2013 as a credit risk manager. In 2014, he became the director of credit risk. He graduated from Dacotah Bank's executive leadership program in 2017.

Tveidt currently serves on the YMCA's Youth Development Center Steering Committee and as the Dacotah Bank liaison for Sleep in Heavenly Peace. He volunteers his time as a member of the Aberdeen Dacotah Cares team, serving the Table of Plenty banquet and Junior Achievement of South Dakota. 📊

Daryl Ebach Promoted at Dacotah Bank



Daryl Ebach has been promoted to executive vice president and chief revenue officer at Dacotah Bank.

A Northern State University graduate, he began his banking career in 1983, and has served in a variety of capacities including teller, collections, personal banker, business relationship manager, business banking manager and area business banking manager. Ebach began his career with Dacotah Bank in Aberdeen in 2019, where he served as the senior vice president chief business development officer.

Ebach is involved within the community as a resource, leader and volunteer serving on various committees and boards such as the Northern State University Foundation Banking and Finance Committee, United Way of Northeastern SD Rails Club, Northeast South Dakota Economic Corporation Finance Board, Dakota Resources, Aberdeen Family YMCA Board and Aberdeen Development Corp. 📊

Tyler Wenbourne Named First District's SBA 504 Lender of the Year



First District Development Company awarded Tyler Wenbourne, a business banker in Aberdeen, the 2021 SBA 504 Lender of the Year.

Wenbourne started his banking career with Dacotah Bank in 2005 as a consumer loan officer. In 2009, he was promoted to a business banker.

Wenbourne graduated from Presentation College in Aberdeen in 2006 with a degree in business finance. He completed the Graduated School of Banking in Colorado in 2017.

Wenbourne is involved in his community as a member of the Aberdeen Public School Foundation and Presentation College Board of Trustees and a volunteer for Junior Achievement of South Dakota and Aberdeen Family YMCA Basketball Tournament.

The SBA 504 Loan program through First District Development Company (FDDC) is designed to foster economic growth by making affordable financing available for small businesses. Through FDDC, loans are extended for terms of 10, 20 and 25 years at fixed, below-market interest rates to South Dakota businesses adding full-time positions in the state. Loans are also available for businesses meeting public policy goals which include rural development, woman, minority or veteran ownership, expansion of exports, energy efficiency, labor surplus area or business district revitalization. For more information on this program, visit <https://fddc.1stdistrict.org>. 📊

Michael Warren Joins BankWest as Business Development Officer



Michael Warren has joined BankWest as a business development officer serving the Pierre area.

Regional President Andy Hubbard says Warren's experience in the financial services sector will make him an integral part of the BankWest team.

"We are very fortunate to have Michael join the BankWest team," Hubbard noted. "He will provide excellent customer service and a wide range of financial services to Pierre and surrounding communities, businesses and ag producers."

Warren has 14 years of experience in the financial services industry and earned his bachelor of science in biology from the University of Sioux Falls. Warren has participated in several United Way building projects in the Pierre area and is also active in the Delta Waterfowl organization.

"I'll build a long-standing relationship with our customers and help them reach their financial goals," said Warren. "BankWest is a great community bank that makes customers feel like a family."

BankWest Named APEX Award Winner for Superior Employee Training

BankWest was named an APEX Award honoree for the company's excellence in employer-sponsored training and development programs. Training magazine, a business publication for learning and development (L&D) professionals, announced the winners of the newly rebranded Training APEX Awards (formerly the Training Top 100).

"As COVID-19 continues to spark change in our professional (and personal) worlds, we made the decision to rebrand our Training Top 100 to the Training APEX Awards to reflect the winners' journey to attain peak performance in employee training and development and organizational success," said Training Editor/Publisher Lorri Freifeld. "We salute these best-in-class organizations for their laser-focused commitment to learning and development, their brilliance in continuing to successfully deliver training despite the ongoing pandemic, and their unwavering belief that training matters—and not only can it change the world, but transform it."

The APEX Awards ranking is based on a myriad of benchmarking statistics and a range of qualitative and quantitative factors, including: total training budget, percentage of payroll, scope of training programs provided, detailed formal and informal training programs, training linked to business goals, and business outcomes resulting from training.



"Learning and development in community banks is typically on-the-job training. It is common for a community bank to have a minimal L&D staff focused on technical skills only," said Becky Burke, vice president of strategic initiatives for BankWest. "However, BankWest has a robust L&D staff that facilitates training, eLearning and employee development. BankWest takes pride in hiring the best of the best and equipping them with the training to deliver the highest level of customer care."

Dykhouse Named Sioux Falls Chamber Agribusiness Citizen of the Year



Dana J. Dykhouse has been selected as the 2022 Agribusiness Citizen of the Year by the Agribusiness Division of the Greater Sioux Falls Chamber of Commerce.

Banking was not always the career goal for Dykhouse, the long-serving president of First PREMIER Bank in Sioux Falls.

Growing up on a small family farm near Rock Rapids, Iowa, Dykhouse's parents were CPAs. His dad would say he needed something to do after sitting at a desk for eight hours, so they ran a small crop operation with cattle, a few hogs and Quarter Horses.

"There's no better way to grow up. I mean that sincerely," Dykhouse said. "I get to talk to a lot of student groups, a lot of graduations. I say the one thing that you learn about growing up on a farm is that you have responsibility for something other than yourself. I think that's something that's really lacking for kids."

Dykhouse went to South Dakota State University to play football and major in animal science. He had aspirations of going to vet school, but notes his grades were not good enough to pursue that career path.

After graduating with his degree in animal science, Dykhouse and his wife, LaDawn, moved to Lincoln, Neb., where he got his first job out of college with Production Credit Association as a branch manager and ag loan officer. They moved to Sioux Falls when he accepted a position with Western Bank as an ag banker for its Hartford, Humboldt and Colton branches.

Dykhouse is now in his 27th year with First PREMIER Bank. When he started, the bank was about a \$150 million bank with about 150 employees at five locations in eastern South Dakota. Today, it is about a \$3 billion bank with about 2,400 employees at 16 banks in eastern South Dakota. It includes a credit card division, electronic funds transfer business and ATM service business.

Bank Notes continued on page 21

Banking Systems Supervisor, First Bank & Trust, Brookings or Sioux Falls, S.D.

First Bank and Trust is looking for an individual to fill a banking systems supervisor position. This person is responsible for the overall support and integrity of banking systems. This includes support for new products and promotions, project support, and departmental learning and development. This person acts as an expert internal resource for all banking software systems and works closely with the banking systems administrators in the department to maintain data integrity and improve efficiencies and quality. This person should have a minimum of a bachelor's degree plus five years of related experience. This person must possess a working knowledge of banking operations, help desk support, compliance and technology used by the corporation. This person must display excellent leadership skills, analytical skills, decision-making skills and attention to detail. This person should also possess excellent written and oral communication skills and be able to communicate effectively with all levels within the corporation and with key vendors. For more information about this position and to apply online, please visit our website at www.bankeasy.com. ■

Senior Credit Analyst, First Bank & Trust, Sioux Falls, S.D.

First Bank and Trust is looking for an individual to fill a senior credit analyst position. This person reviews larger and more complex loans in accordance with the bank's loan policy and guidelines. This person must also make recommendations to ensure that lending practices conform to the policy. This person is also responsible to train and oversee activities within the department. This person should have a bachelor's degree and a minimum of five years of experience in the bank lending and credit area or the equivalent. This person must also have good credit judgment and show attention to detail, complete documentation and adherence to loan policy and guidelines. For more information about this position and to apply online, please visit our website at www.bankeasy.com. ■

Vice President Ag Banking, Security Bank, Aberdeen, S.D.

Security Bank is seeking a dynamic individual to join our team as vice president ag banking. Primary responsibilities will be to provide agricultural lending services to our customers and prospective clients in the Aberdeen and surrounding communities. In addition, this self-motivated individual will be providing sound banking advice accompanied with exceptional personal service. This individual must have excellent communication and organizational skills, take initiative, enjoys people and willing to get involved in the community. Qualification: Bachelor's degree or equivalent in business, finance, accounting or related field required. Ten years banking experience required. Excellent benefits—401(k), health, dental, vision. EOE. Send resume and compensation requirements to: Todd Jordre, Market President, at toddjordre@sbmidwest.bank, 221 County Road 19, Aberdeen, S.D., 605.725.bank (2265). ■

Vice President Ag Banking, Security Bank, Chancellor, S.D.

Security Bank in Chancellor, S.D., has an opening for a VP ag banking to join our dynamic team. This is a great opportunity for a highly-motivated individual to make a big impact in our growing organization that consistently sets the standard in community banking. In your role you will: originate, process and service loans; conduct credit analysis on existing and new clients; obtain documentation necessary to facilitate a loan closing; provide a high level of service to customers. This position will give you an opportunity to join a progressive banking organization that offers a competitive salary and benefits package including 401(k), health, dental and vision. Qualifications: Bachelor's degree or equivalent in business, finance, accounting or related field required; minimum 10 years of experience. Excellent analytical, problem solving and attention to detail skill set; self-motivated/self-starter; agricultural background preferred. EOE. Please submit credentials and compensation requirements to: John J. Baumiller, PO Box 107, Chancellor, SD 57015 or JohnBaumiller@banksecuritystate.com. ■

Vice President Ag Banking/Branch Manager, Security Bank, Viborg, S.D.

Security Bank has an opportunity for a VP ag banking/branch manager to join our dynamic team. This position will be in our Viborg, S.D., office and is a great opportunity for a highly-motivated individual to make a big impact in our fast paced, growing organization. In your role you will: direct the overall activities of the branch; originate, process and service loans; conduct credit analysis on existing and new clients; obtain documentation necessary to facilitate a loan closing; provide high level of service to customers. Qualifications: Bachelor's degree or equivalent in business, finance, accounting or related field required. Minimum 10 years of experience; agricultural background preferred. Competitive salary and benefits package including 401(k) plan, health, life, dental, vision. EOE. Please submit credentials and compensation requirements to: John J. Baumiller, President, PO Box 107, Chancellor, SD 57015 or JohnBaumiller@banksecuritystate.com. ■

Vice President Business Banking, Security Bank, Aberdeen, S.D.

Security Bank is seeking a dynamic individual to join our team as vice president business banking. Primary responsibilities will be to provide business banking services to our customers and prospective clients in the Aberdeen and surrounding communities. In addition, this self-motivated individual will be providing sound banking advice accompanied with exceptional personal service. This individual must have excellent communication and organizational skills, take initiative, enjoys people and willing to get involved in the community. Qualification: Bachelor's degree or equivalent in business, finance, accounting or related field. Ten years banking experience required. Excellent benefits—401(k), health, dental, vision. EOE. Send resume and compensation requirements to: Todd Jordre, Market President, at toddjordre@sbmidwest.bank, 221 County Road 19, Aberdeen, SD, 605.725.bank (2265). ■

Wealth Management Senior Officer, First Bank & Trust, Brookings, S.D.

First Bank and Trust is looking for an individual to fill wealth management senior officer position. The senior trust officer (STO) will have a bachelor's degree and five years of prior trust and/or investment experience or the equivalent. A juris doctorate is preferred but not required. It is required that this person complete advanced training as a certified trust and financial analyst or certified wealth strategist. The STO will possess an understanding of laws and regulations governing the administration of trust and estate accounts. The STO will have a good understanding of investments, asset allocation and financial planning techniques. This person

will have strong communication skills to enable effective communication and interaction with fellow staff, clients and the general public. For more information about this position and to apply online, please visit our website at www.bankeasy.com. ■

CLASSIFIED LISTINGS

Post your classified ad in SDBANKER Magazine and at www.sdba.com. The fee is \$50 per ad (200 word limit) for SDBA members or \$100 per ad (200 word limit) for non-members. Email Alisa Bousa at abousa@sdba.com.

bank notes continued.....

Juel Burnette Appointed to FHLB Des Moines Advisory Council



Federal Home Loan Bank of Des Moines has appointed Juel Burnette, branch manager of 1st Tribal Lending in Sioux Falls, to its Affordable Housing Advisory Council as an at-large district nomination representing Natives. He began his three-year term on Jan 1.

"Juel brings a wealth of experience and expertise to the Advisory Council," said Jennifer Ernst, senior vice president/director, western office and community investment officer, FHLB Des Moines. "His insight will help enrich Advisory Council discussions and the advice provided to the Board of Directors about ways the bank can support the affordable housing and community development needs in its thirteen-state district."

For more than seven years, Burnette has managed a team that transacts business nationwide using HUD 184 mortgages. For 25 years, he has served Indian Country in the mortgage and banking industry, helping tribes, tribal housing authorities and many tribal members leverage this product to support Native homeownership.

Burnette is an enrolled member of the Rosebud Sioux Tribe and a graduate of Todd County High School on the Rosebud Indian Reservation. He attended the University of South Dakota and Sinte Gleska University.

The FHLB Des Moines Board of Directors appoints an Advisory Council to advise on affordable housing and economic development needs throughout the bank's district which includes 13 states and three U.S. Pacific Territories. Advisory Council members are selected for their knowledge and experience serving housing and economic development agendas and will help the bank create programs and targets for its community investment activities.

FHLB Des Moines also appointed Renee Stevens and Kevin Bryant to serve three-year terms on its Advisory Council and reappointed Michael Akerlow and

Robert Peterson. For a full list of council members, visit www.fhlbdm.com/about/leadership/advisory-council.

FHLB Des Moines is one of 11 regional banks that make up the Federal Home Loan Bank System. Members include community and commercial banks, credit unions, insurance companies, thrifts and community development financial institutions. The Des Moines Bank is wholly owned by its members and receives no taxpayer funding. ■■

FIND YOUR SPACE, SOUTH DAKOTA!

FIRST-TIME & REPEAT HOMEBUYER LOANS

- Competitive Rates
- Downpayment Assistance
- Closing-Cost Assistance

...FOR SOUTH DAKOTA HOMEBUYERS!

HOUSING SOUTH DAKOTA DEVELOPMENT AUTHORITY
605.773.3181 | SDHDA.ORG

Seminars/Conferences/Webinars/Schools

SDBA EVENTS

SDBA State Legislative Day

Feb. 9, 2022 | Pierre

NDBA/SDBA Bank Management Conference

Feb. 18-19, 2022 | Scottsdale, Ariz.

Breaking into Banking 101: Fundamentals of Commercial Banking

Feb. 23, 2022 | Virtual

ABA Washington Summit

March 7-9, 2022 | Washington, D.C. & Virtual

SDBA Spring IRA Update

March 22, 2022 | Sioux Falls

New Account Documentation & Compliance Seminar

April 12, 2022 | Sioux Falls

Tri-State Trust Conference

April 26-28, 2022 | Fargo, N.D.

2022 NDBA/SDBA Annual Convention

June 14-15, 2022 | Bismarck, N.D.

SDBA Agricultural Credit Conference

July 20-21, 2022 | Pierre

SDBA LEAD STRONG: Women in Banking Conference

Sept. 13-14, 2022 | Sioux Falls

WEBINARS

For a complete list of webinars, visit www.sdba.com/online.

CRE Appraisals: Components, Approaches to Value & Cap Rates

Feb. 14, 2022

Advanced TRID Compliance

Feb. 15, 2022

SAR Decision Making

Feb. 15, 2022

Federal Benefit Payments Garnishment Requirements

Feb. 16, 2022

Implementing the Fair Debt Collection Practices Act and Regulation F

Feb. 16, 2022

Marketing & Advertising Compliance—Part Two

Feb. 17, 2022

Online Account Opening

Feb. 17, 2022

Does Your Business Continuity Program Meet Regulatory Expectations

Feb. 18, 2022

Characteristics of Strong Risk Assessments and Tools to Monitor and Report Results

Feb. 22, 2022

New! Electronic Fund Transfers FAQs

Feb. 22, 2022

Bi-Monthly Compliance Briefing

Feb. 23, 2022

Fair Lending—Understanding the Basics and How to Conduct a Comparative File Review

Feb. 23, 2022

What to Do When a Customer Dies

Feb. 24, 2022

Writing Teller Training and Procedures

Feb. 24, 2022

Health Savings Accounts—Annual Update and Review

Feb. 25, 2022

Commercial Construction Lending

Feb. 28, 2022

Loan Denials & Other Adverse Action Notices

March 1, 2022

BSA Emerging Issues

March 1, 2022

Opening New Accounts Part One: Personal/Consumer Accounts

March 2, 2022

Consumer Real Estate Loans

March 2, 2022

IRA Reporting—Annual Update

March 3, 2022

A Passion for Women in Leadership—Encouraging the Next Generation of Women Leaders

March 3, 2022

CECL in the Call Report

March 4, 2022

Work Appearance, Dress Codes and Employer's Liability for Being Out of Fashion

March 7, 2022

The Four Cs of Exceptional Service

March 8, 2022

The UCC for Lenders

March 8, 2022

Escrows

March 9, 2022

Basic Excel Skills for Accountants

March 9, 2022

IRA Beneficiary Payout Options

March 10, 2022

Opening New Accounts Part Two—Business Accounts

March 10, 2022

Opening New Accounts Part Three—Trust & Fiduciary

March 11, 2022

SCHOOLS

GSB Bank Technology Management School

March 28-April 1, 2022 | Madison, Wis.

Dakota School of Lending Principles

March 29-April 1, 2022 | Aberdeen

GSB HR Management School

April 4-8, 2022 | Madison, Wis.

GSB Digital Banking School

April 11-May 5, 2022 | Virtual

GSBC Executive Development Institute for Community Bankers

April 24-27, 2022 | Broomfield, Colo.

MBA Bank Compliance School

May 2-5, 2022 | Bloomington, Minn.

Dakota School of Banking

June 5-10, 2022 | Jamestown, N.D.

National School for Beginning Ag Bankers

June 20-23, 2022 | Spearfish

GSBC Community Bankers Summit

July 25-27, 2022 | Boulder, Colo.

Graduate School of Banking Colorado

July 17-29, 2022 | Boulder, Colo.

Graduate School of Banking Wisconsin

July 31-Aug. 12, 2022 | Madison, Wis.

GSB Financial Managers School

Sept. 19-23, 2022 | Madison, Wis.

SDBA IRA School

Sept. 27-29, 2022 | Sioux Falls

GSB Sales and Marketing School

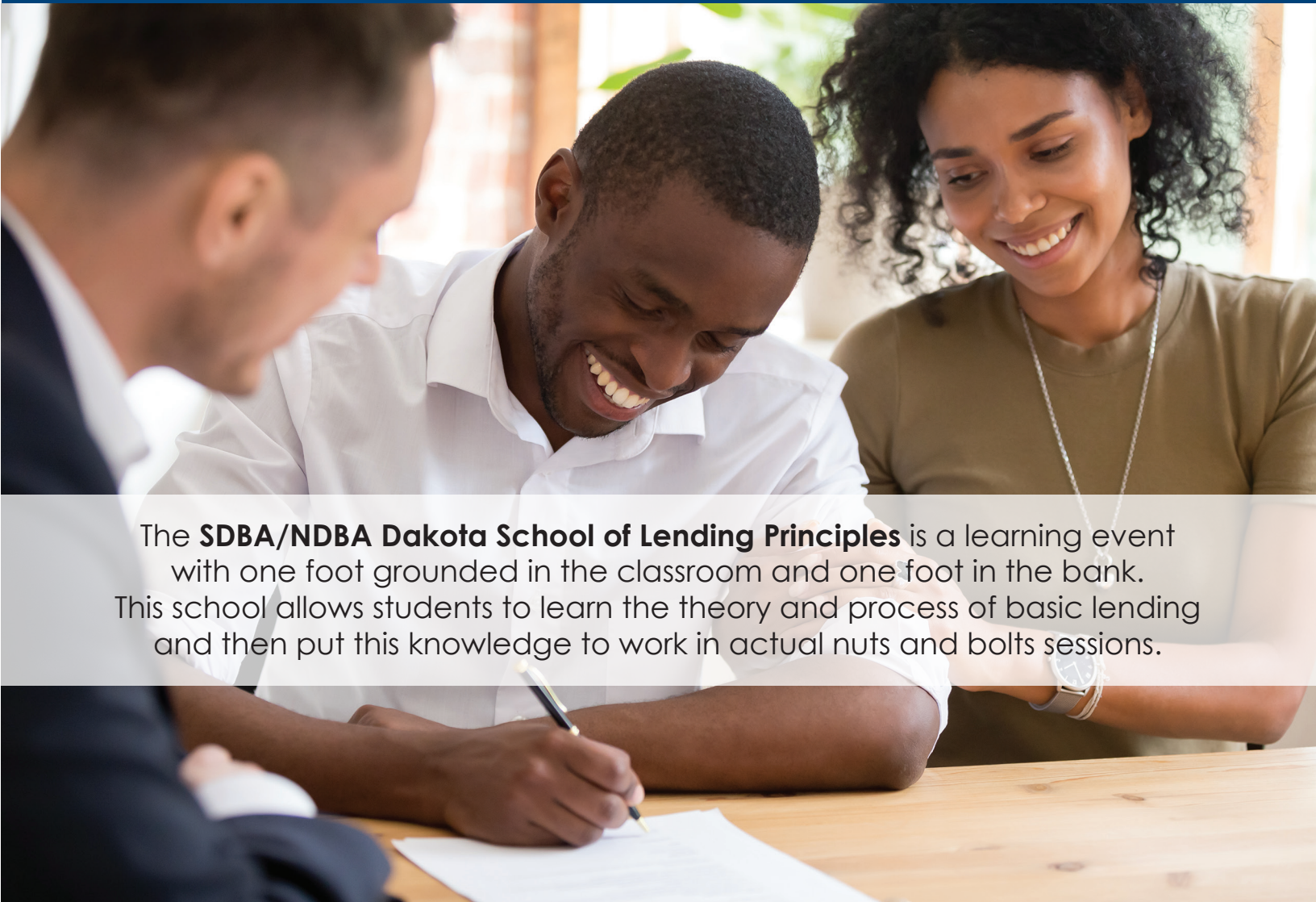
Sept. 26-30, 2022 | Madison, Wis.

For more details and to register for a training, visit the SDBA's online event calendar at www.sdba.com/events. Questions, contact the SDBA's Halley Lee at hlee@sdba.com or 605.224.1653.

SDBA/NDBA

2022 Dakota School of Lending Principles

March 29 - April 1, 2022 | Best Western Ramkota Hotel, Aberdeen, S.D.



The **SDBA/NDBA Dakota School of Lending Principles** is a learning event with one foot grounded in the classroom and one foot in the bank. This school allows students to learn the theory and process of basic lending and then put this knowledge to work in actual nuts and bolts sessions.

High-quality borrowers on demand.

**2021 BHG
borrower:**

WA FICO: **736**

WA Income: **\$279,000**

Avg Loan Size: **\$113,900**

WA Years in Industry: **20**

WA DSCR: **2.5**

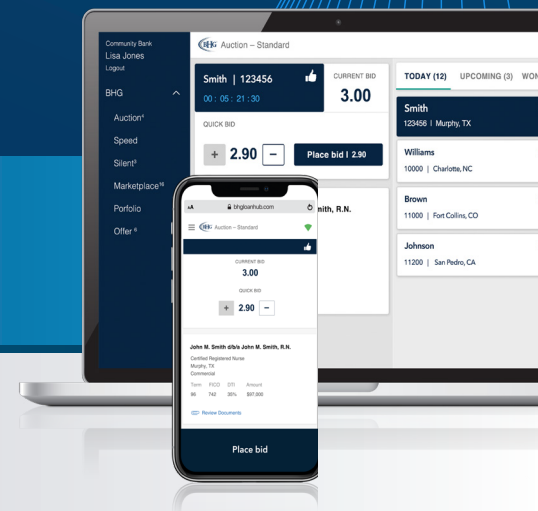


To learn more about BHG, please contact:

Keith Gruebele, EVP, Institutional Relationship

KeithGruebele@em.bhgbanks.com • (954) 737-5318

BHGLoanHub.com/SD



BHG IS AN ENDORSED MEMBER

